ELECTION '97

THE B.C. BATTLE

BRE-X: THE BLAME GAME MANITOBA: MOPPING UP

CANADA'S WEEKLY NEWSMAGAZINE

Maclean's

MAY 19, 1997

THE UNITY BOMBER



Parizeau gets his revenge—and turns the election upside down

$3.50



It's not exactly common knowledge, but many of the improvements on the new Monte Carlo Z34 are actually made possible by a bunch of Sunday drivers. Because Sundays are when NASCAR's racing elite take a few race-bred Monte Carlos out for a spin. And these guys do more than win races. They turn some of NASCAR's most legendary tracks into high speed testing grounds for Chevrolet engineers. Providing us with data on everything from aerodynamics and enhanced suspension to powertrain technology, which ultimately finds its way into every street legal version of the Monte Carlo Z34 we build for you. A sports coupe that's not about style alone. But instead, it's about performance and safety that's tested and true. Proving that what's behind the sheet metal is what wins every time.

CHEVROLET
TRIED TESTED & TRUE

Maclean's CANADA'S WEEKLY NEWSMAGAZINE

This Week

MAY 19 1997 VOL 110 NO 20

Departments

EDITORIAL 2
LETTERS 4
OPENING NOTES/PASSAGES 10
COVER 12
CANADA 29
WORLD 34
The United States government and foreign mining companies are helping rebel leader Laurent Kabila take power in Zaire hundreds of thousands of North Koreans face starvation as the isolated country endures a worsening famine
PEOPLE 41
BUSINESS 42
PERSONAL FINANCE 49
EDUCATION 52
The Triangle Program in a Toronto church basement helps gay and lesbian teenagers cope with hostility at school
JUSTICE 56
HEALTH 57
Malaria strikes as many as 500 million people a year, and mutant strains are frustrating global efforts to eradicate the killer disease
FILMS 58
Stars, film-makers, media and movie-lovers converge on Cannes for its 50th anniversary festival
BOOKS 61
Biographer Elspeth Cameron writes a tell-all memoir of how she left her husband for a woman, author Timothy Findley promotes his fiction with a cross-Canada show that features song and dance

Columns

ANTHONY WILSON-SMITH 9
ROSS LAVER 47
PETER C. NEWMAN 50
ALLAN FOTHERINGHAM 64

***Maclean's* on the Internet: http://www.canoe.ca/macleans and on CompuServe (GO MACLEANS).**

POSTMASTER: Undeliverable... Send... Maclean's P.O. Box... Publications mail reg. #... U.S. POSTMASTER: Periodicals postage paid at Buffalo NY. CMS 10b/10: Send address... P.O. Box 4241, Buffalo NY 14240

Cover

12
The unity bomber
Revelations that former Quebec premier Jacques Parizeau contemplated a unilateral declaration of independence during the last sovereignty referendum exploded in the middle of the federal election campaign—and left the five major parties scrambling



MIKE FINDER

Features



LOU DEFON

29
Mopping up
With the Red River's flood of the century slowly receding, Manitobans face the task of cleaning up the mess and rebuilding devastated homes and farms



PATRICK DOYLE/REUTERS

56
Mercy or murder?
Halifax police charge a physician, Dr. Nancy Morrison, with first-degree murder in the death of a critically ill hospital patient



PAUL ARSENYUK/HALIFAX DAILY NEWS

42
The Bre-X blame game
As investigators search for culprits behind the biggest scam in mining history, investors and analysts wonder how they were duped so easily

COVER ILLUSTRATION BY ROI

From The Editor

Peek-a-boo campaigning



Who would have expected Jacques Parizeau to come back from political oblivion and bring a dreary federal election campaign to life? Until Bombardier Jacques's direct hit on his own young last week, the campaign had been a series of carefully staged photo opportunities. Here a farmers' market, there a fireman's hat. Suddenly, there was substance and heat, and federalist leaders, flushed into the open, were trying to seize an advantage from Parizeau's revelation that a unilateral declaration of Quebec independence was a distinct possibility after the 1995 referendum. Parizeau tried to deny the interpretation, but the words spoke for themselves and the leaders leaped from their foxholes—except, of course, for Bloc Leader Gilles Duceppe, who dove for cover.

The idea of keeping leaders under wraps became a science in the late 1970s in Canada. Former senator Keith Davey, the grand master of the artful campaign dodge, once referred to the practice as "low-bridging the leader." In the 1980 campaign, the Liberals managed to run Pierre Trudeau without so much as a hint that he had been in power for 11 years before his defeat in 1979. In the closing days of the 1979 campaign, Joe Clark's handlers took him off to British Columbia, and kept him there, far from TV studios. Asked why the campaign was keeping Clark under wraps when a majority victory appeared within reach if he would only make a last-ditch push for five or six more seats, a key strategist replied that sending Clark out into the open could cost the party five or six seats, too. So he played safe, won a minority government and lost to Trudeau the next year. Call it 2-0 for low-bridging.



FRED CHARTRAND/CANAPRESS

Chrétien as Calgary fireman: photo-op

The same caution (or fear) is evident in the stiff, tense visage and gait of the current Prime Minister, Jean Chrétien. In a sun-dappled market on a pleasant Saturday morning in Montreal, he strode through the stalls and the people, his teeth clenched, his hands formed in fists, as if he were in an Olympic speed-walking event. His handlers have brought back the TelePrompTer and the set-piece speeches, designed to keep him out of trouble and ahead in the public opinion polls. Conservative Leader Jean Charest also has taken the low-bridge route, prompting even some supporters to conclude that he is undercutting his youthful image with an old fogy style.

The real problem with peek-a-boo politics is that it makes it difficult for voters to get answers to the questions they most want answered. Do we know if taxes would go up or down under a new Chrétien government? Do we know exactly how much the Tories would spend on home care, as hospitals close across the country? And what level of unemployment, especially among young people, would a new government tolerate? Questions, questions, questions. And dozens of photo-ops to go before they sleep.

Robert Lewis

Newsroom Notes:

The Parizeau Factor

The 1997 election campaign seemed to have settled into a state of semi-somnolence when, in the words of *Maclean's* Nation Editor Peeter Kopvillem, "the apathy of the politicians and the electorate alike was shattered by Jacques Parizeau." Kopvillem quickly redirected the magazine's coverage last week to take account of the new course and intensity of the campaign as national unity moved to the top of the parties' agendas.

Ottawa Editor Anthony Wilson-Smith was in Quebec City when the Parizeau bombshell burst. In some ways, Parizeau reminds Wilson-Smith of Pierre Trudeau. "Both are upper-class, fluently bilingual Quebecers whose white-collar mien disguises the soul of a street-fighter. Each will do whatever it takes to have his way."



PETER BREGG/MACLEAN'S

Wilson-Smith: fighters

Wilson-Smith wrote this week's lead story while staffers John DeMont and Tom Fennell contributed articles on Preston Manning and Alexa McDonough. From Vancouver, Bureau Chief Chris Wood reported on the state of the campaigns in British Columbia. Contributing Editor Mary Janigan examined the debate over public-spending cuts, Senior Writer Joe Chidley looked at political advertising and Senior Writer Patricia Chisholm pulled together the views of the *Maclean's* Election Panel.



Design Your Own Way To Fly.



Want to custom-design the vehicle that can take you on your next flight? Switch to the AIR MILES® Gold MasterCard®† card from Bank of Montreal. Because it's the **only** gold card that gives you the option to earn your next vacation with AIR MILES travel miles.† Whenever you use your AIR MILES Gold MasterCard, you can earn AIR MILES travel miles from participating AIR MILES Sponsors. Plus, you can choose to earn more travel miles for every $15, $20 or $40 you spend.†† And, unlike other travel points programs, with AIR MILES travel miles, one travel mile earns you one mile of actual air travel!† (Fly for as few as 500 travel miles.) Wouldn't you prefer a gold card that suits your style — and lets you fly?

The AIR MILES Gold MasterCard from Bank of Montreal. Real gold, real benefits, real value.

Call right now to design your own.

1-888-616-2791

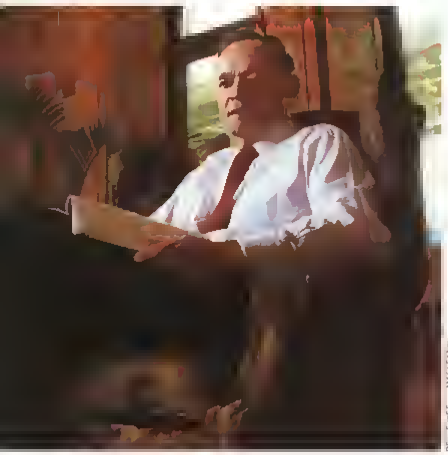
or apply online at http://www.bmo.com/mastercard

Bank of Montreal

IT IS POSSIBLE®

® ™ Trademarks of AIR MILES International Holdings N.V. Used under license by Loyalty Management Group Canada Inc. and Bank of Montreal. ®† Bank of Montreal is a licensed user of the registered trademark and design owned by MasterCard International Inc. † Awards of AIR MILES travel miles are made for purchases charged to your account and are subject to the terms and conditions of the MasterCard Cardholder Agreement. †† Any and all fly names demonstrations are the property of their respective owners.

The Mail



PETER MECO-MACLEAN

Chrétien: Big Macs, promises, human rights and the flood

Chrétien's record

I don't think Prime Minister Jean Chrétien is up to the job ("Is Jean Chretien up to the job?" Cover, May 5) He is either weak and indecisive, or just a wily, self-serving politician In a more low-key style, he is nonetheless carrying out the Mulroney agenda and weakening Canada

Betty Eckgren, Victoria

You neglected to mention the Prime Minister's dismal record on international human rights. Chretien has consistently refused to speak up in defence of the fundamental principles Last month, he refused to co-sponsor a motion criticizing China at the UN Commission on Human Rights His apparent disdain for world law and humanitarian values—especially when business deals are at risk—brings dishonor upon Canadians

Patrick Kavanagh, Ottawa ▣

LETTERS TO THE EDITOR
should be addressed to
***Maclean's* Magazine Letters**
777 Bay St, Toronto, Ont M5W 1A7
Fax **(416) 596-7730**
▣ E-mail **letters@macleans.ca**
or **76702.2247@compuserve.com**
Maclean's welcomes readers' views but letters may be edited for space and clarity Please supply **name, address and daytime telephone number**
Submissions may appear in *Maclean's* electronic sites.

At last, Jean Chretien has found an appropriate job, serving Big Macs and fries at McDonald's during a pre-election campaign stop in Surrey, B C In that work he doesn't have to make promises to his customers Finance Minister Paul Martin, at least, makes an effort to keep his promises, however unpalatable the results

Rosalind Jones, London, Ont

Last week, Jean Chrétien came to Winnipeg to see our terrible flood We hoped he would postpone an unnecessary election He didn't A week later chief electoral officer Jean Pierre Kingsley came to Manitoba to judge whether we would, on June 2, be able to vote "normally" After witnessing devastation, flooded farms, lost homes, he decided we would Both decisions show how out of touch with normalcy these people are Water-weary Manitobans are shocked, saddened and angered To paraphrase the famous U S. Democratic campaign motto, "It's the flood, stupid!"

Brian Curtis, Winnipeg

Jean Chrétien, Paul Martin and the rest of the Liberal party had better take Editor Robert Lewis's recent comments seriously ("The Liberal loot bag" April 28) In my particular case, his musings are dead on I will be voting for the Reform party, not because Preston Manning is my hero, but for two more practical reasons 1) my desire for an official Opposition that does not strive for the breakup of Canada, and 2) as a personal protest against the arrogance of the "Natural Governing Party of Canada."

Steve J Angyalfi, Calgary ▣

Terror in Peru

The Peruvian government attack on the Japanese ambassador's residence ("Rescue in Lima," World, May 5) was much more of a terrorist action than that of the Tupac Amaru fighters, who did not kill a single hostage. The rebels who were all killed, many execution-style, and including those who tried to surrender, were more humane than President Alberto Fujimori's agents This fact will not be lost on the great majority of the oppressed Peruvian people

Martin R Haase, Chester, N S

Axing health care

I am writing in response to your cover story "The nurses' (April 28) I have recently suffered the loss of my father at a Halifax hospital and feel the current crisis in nursing and health care played a large role Within 12 hours after routine surgery, my Dad was on a ventilator due to the development of bilateral aspiration pneumonia This deadly pneumonia progressed to septic shock, multi-system failure and death, a tragic, premature, preventable death Had staff workload allowed at little more time for Dad, perhaps they would have noticed his frequent retching and regurgitation and prevented the onset of aspiration This is all so difficult for me, as I have been a critical care nurse for 17 years, with a strong sense of pride in my chosen profession I do not hold any one nurse responsible Rather, I blame the politicians intruding into our profession, holding the axe that has made the deadly cuts, hurting us all.

Katherine R Lefurgey Saulnier, Stellarton, N S

Diet and exercise

As a dietitian, I feel physicians should not be trained "to give detailed counselling on nutrition" ("Doctors and fitness," Health, May 5) They should be trained to recognize the benefits of proper nutrition and exercise, and to refer their patients to the appropriately trained professional—the registered dietitian, who has unique training and expertise in the science of nutrition and its applications to overall health

Lorna Miller, Waterloo, Ont

Should doctors even be doing preventive medicine? Although I believe that we know more about it than your article suggests, do we want someone with the expensive training and extensive education of a physician doing lifestyle counselling? I think not There would be no doctors left to look after sick people, and there will always be sick people, preventive medicine or not. Alternative medicine, on the whole, doesn't work OK, there are always new things we "conventionalists" can learn from non-conventional sources, but to call the medical



THE POWER OF ONTARIO



1906 Power for the People Sir Adam Beck created Ontario Hydro so that every Ontarian would have equal access to affordable electricity while participating in building the foundations of the province's future.

1920s Anticipating Ontario's post-war economic boom, Ontario Hydro built the world's largest hydroelectric generating station at Niagara

1930s Ontario Hydro forever changed rural life and agricultural efficiency by electrifying farms and villages throughout the province

1950s To prepare for the eventual standardization of North American electrical systems, Ontario Hydro changed motors in 7 million appliances in 1 million Ontario homes

1960s/70s Ontario Hydro built safe and environmentally neutral ways to harness the power of the atom — providing power for the burgeoning economy while utilities worldwide purchased Ontario expertise and technology

1990s Recognizing that competition would be coming to the electricity industry, Ontario Hydro led change once again. We stabilized electricity costs for our customers, helped them use energy more wisely and took a hard look at how best to win and keep customers in an open market.

For 90 years Ontario Hydro has not only provided the power of Ontario, but has demonstrated the power of change to make every life in Ontario more productive. More efficient. More enjoyable.

Ontario Hydro believes that competition serves customers better with more innovative products, services and pricing options and more choices.

In anticipation of a competitive marketplace, Ontario Hydro has been aggressively managing our bottom line. Costs have been cut. Debt has been reduced. Average prices are frozen. Services have been added. Revenue is increased. (Last year revenue from electricity exports was more than $150 million.)

As one of the largest and most diversified electricity producers with the lowest variable cost in our potential market area, Ontario Hydro is poised and ready to take its place as a leading North American energy provider.

We have an exceptional dedicated workforce, recognized internationally for technical proficiency, inventiveness, service and environmental performance, and they are committed to keeping Ontario Hydro at the forefront of change.

When individuals and industries — multinational and Ontario based — search the world for the most competitive rates, the best service and the most creative solutions — they will find Ontario Hydro.

We look ahead eagerly to the challenges of a competitive future. We are ready to meet your energy needs, safely and reliably, ready to win business for Ontario, ready to win your business. Every day.

Ontario Hydro
www.hydro.on.ca

THE POWER OF CHANGE

THE MAIL

profession closed-minded is inaccurate—cautious and skeptical is a better description. Men and women of science believe in things that seem to them to be true, not in things that they would like to be true. Thank goodness for our patients that this is the case.

Dr. Charles T. Low
Brockville, Ont.

Perfect harmony

I took a break from my computer while Corel WordPerfect 7 was committing another atrocity mangling a file export to read the newly arrived issue of *Maclean's*. It was at least reassuring in a chaotic universe to see that Michael Cowpland's life is so perfectly harmonious with his company's products ("Gates crasher," Business/Special Report, May 5).

Karl Kamper
Richmond Hill, Ont.

User fees and schools

Both of my children are students in the Peel board of education in Ontario. I hope Ontario school boards will never ban user fees for field trips or special supplies ("A failing grade for user fees," Education Notes, May 5). Should these fees be banned, the result would simply be that students would not go on field trips or pursue unique projects requiring unique supplies. This would be sad indeed.

Allison Johnston
Brampton, Ont.

Striking viewpoint

"The Battle for York" (Education, April 28) quoted a spokesman for the York administration three times, while the only quotation from a York faculty member was clearly intended to be critical of the faculty strike, despite the fact that more than 70 per cent of York faculty voted to strike. The presentation of strike issues was skewed entirely towards the financial, ignoring the faculty's profound concern with administrative policies and positions that threaten to destroy the learning environment and perpetuate inequities on campus. The article regurgitated figures given by the York administration—figures that misrepresented both their and the faculty's position. The faculty association has declared all financial issues to be negotiable, has offered to submit everything to binding arbitration, only to be met with the York administration's refusal to negotiate and employ an arbitrator.

Frank Burke,
President, Queen's University Faculty Association,
Kingston, Ont.

The Road Ahead

Why not share the cost of health care?

As Canadians continue to worry about our health-care system, some of us are asking whether there is anything sacrosanct in having every dollar spent for essential health-care services come from public funds. Many years ago, before our present system was established, we were allowed an income-tax deduction only for that part of medical and hospital expenses that exceeded three per cent of income. That reflected the very sensible view that some basic medical costs should be regarded as ordinary consumption expenditures, but that if health expenses grew larger the government should provide some relief.

It should be possible to adapt this idea to our present system. We could still ensure that whenever a person required health care, it would be available simply upon production of a provincial health insurance card. However, at the end of each year each taxpayer could receive a computer printout listing the health costs covered by the government for that person and his or her dependents. Taxpayers would then pay the amount incurred on their behalf by the government *or* three per cent of their annual income—whichever is less.

That is, if a woman with an annual income of $40,000 has $1,000 worth of health-care services for herself or her dependants in a given year, she would have to reimburse the government the entire amount, since it represents less than three per cent of her income ($1,200). But if her health-care expenditures came to $3,000 that year, she would only have to pay back $1,200.

Apart from drastically reducing the portion of health-care costs to be borne from public funds, the system would have incidental benefits. First, by reminding all of us that health care costs real money, it will deter some people from incurring unnecessary expenses. Secondly, itemized lists of the amounts paid by the government on health-care users' behalf would make it easy to spot any items that may have been improperly included. Now, of course, we have no way of knowing what the government is paying for us.

These arrangements would not eliminate the need for better overall cost control in the health-care system. But they would contribute to the resolution of the budget deficits that are causing our governments to cut back on much of what is really essential health care.

Wolfe D. Goodman,
Toronto

***The Road Ahead** invites readers to advance specific solutions to Canada's political, social and economic problems. Unpublished submissions may be condensed as regular letters or appear on an electronic bulletin board.*

Maclean's
CANADA'S WEEKLY NEWSMAGAZINE

Editor-in-chief: Robert Lewis

Managing Editor: Geoffrey Stevens

Board of Editors:
Bob Lewis *(Executive Editor)*, Nick Burnett *(Art Director)*, Michael Benedict *(Editorial Director, New Ventures)*, Ann Dowsett Johnston, Ross Laver, Robert Marshall *(Assistant Managing Editors)*, Patricia Hluchy, Peeter Kopvillem *(Senior Editors)*, Anthony Wilson-Smith *(Ottawa Editor)*, Andrew Phillips *(Washington Editor)*, Peter Bregg *(Photo Editor)*, Basil Guinane *(Director, Information Services and New Media)*, Giselle Sabatin *(Associate Art Director)*

Senior Contributing Editor: Peter C. Newman

General Editor: Carl Mollins
Section Editors: James Deacon *(Sports)*, Victor Dwyer *(Education)*, Mark Nichols *(Science and Technology)*, Barbara Wickens *(Opening Notes, People)*, Berton Woodward *(World)*
Manager of Financial Services: Marianne Yoannou
Senior Writers: Barry Came, Joe Chidley, Patricia Chisholm, Rae Corelli, Tom Fennell, E. Kaye Fulton, D'Arcy Jenish, Brian D. Johnson, Paul Kahila, Marci McDonald, Nora Morris
Associate Editors: John Schaffeld, Diane Turbide
Assistant Editors: Sharon Doyle Driedger, Danylo Hawaleshka, Robert Scott *(New Media)*
Bureaus: *Ottawa:* Anthony Wilson-Smith *(Chief)*, John DeMont, Luke Fisher; *Halifax:* Brian Bergman; *Montreal:* Brenda Branswell; *Toronto:* Jennifer Wells *(National Business Correspondent)*; *Calgary:* Dale Eisler, Mary Nemeth (on leave); *Vancouver:* Chris Wood *(Chief)*, Scott Steele; *Washington:* Andrew Phillips; *Europe:* Bruce Wallace *(London)*, Malcolm Gray *(Moscow)*
Editorial Administrator: Sean McCluskey
Research: Brian Bethune *(Chief of Research)*, Julie Cazzin, Showwei Chu, Jonathan Harris, Catherine Roberts *(Researcher/Reporters)*
Library: Mary Jane Colbert, George Serhijczuk *(Library Technicians)*, Robin Selz *(Library Clerk)*
Copy: Virginia Taylor *(Chief Copy Editor)*
Photo Department:
Kristine Ryall *(Associate Photo Editor)*, Phil Snel *(Assistant Photo Editor/Photographer)*
Art Department: John Edney *(Assistant Art Director)*, Elizabeth Greensmith *(Senior Designer)*, Eric Legge *(Designer)*
Design Co-ordinator: Buffy Barrett
Assistant to the Editor: Chris Johnston
Editorial Assistant: Kristen Wall
Correspondents:
Charlotte: Barbara MacAndrew; *Quebec City:* Mark Cardwell; *Whitehorse:* Jim Butler; *Abidjan:* Kirk Tray; *Amman:* Manam Shahin; *Bangkok:* Neil Kelly; *Beijing:* Richard Tomlinson; *Belgrade:* Paul Wood; *Berlin:* John Holland; *Cape Town:* Chris Erasmus; *Dublin:* Michael Keane; *Hong Kong:* Michael Steinberger; *Jerusalem:* Eric Silver; *London:* Ian Mather; *Los Angeles:* Anne Gregor; *New Delhi:* Ajay Bose; *New York:* Vince Beiser, Nicolas Chris Drake; *Paris:* Fred Coleman; *Rome:* Sam Gilbert; *Seoul:* John Gittelsohn; *Tokyo:* Suvendrini Kakuchi; *Vienna:* Sue Masterman; *Warsaw:* Bogdan Turek
Contributing Editors: Barbara Amiel, Ruth Atherley, John Bemrose, Stevie Cameron, Mary Janigan, Nicholas Jennings, William Lowther, Deirdre McMurdy
New Ventures: Michael Benedict *(Editorial Director)*

Publisher: Brian Segal



A totally new way to open up Maclean's.

Maclean's TV

Maclean's magazine is now on the air. Tune in with host Pamela Wallin for a weekly half hour that explores the stories that matter to Canadians. With insightful interviews, expert analysis, and thought-provoking reports. Maclean's TV. It's television worth watching.



NEWSWORLD

CBC Newsworld
Sunday 6:30am ET / 3:30am PT
1:30pm ET / 10:30am PT

wtn

WTN
Monday 7:00am ET / 4:00am PT
Wednesday 8:30am ET / 5:30am PT
Thursday 9:30am ET / 6:30am PT

Don't miss *Sunday Morning Live* at 10:00am ET and *Ottawa, Inside Out* at 12 noon ET on CBC Newsworld.

Maclean's TV is sponsored by

CHRYSLER CANADA

ROYAL BANK FINANCIAL GROUP

HOLD THE PRESSES

Maclean's

Election '97 Coverage

Watch for Maclean's Election Handbook in the May 26 issue. This special feature will include:

- how and when to vote
- the complete list of candidates by riding
- the new electoral boundaries

Available on newsstands May 19.

In the tradition of providing our readers with the latest news, Maclean's will hold the presses to print a comprehensive analysis of the federal election.

Instead of publishing our June 9 issue on Monday, June 2, Maclean's will publish on Wednesday, June 4.

Please note that we are working to ensure that this issue will be delivered to all readers as quickly as possible.

Maclean's

WHAT MATTERS TO CANADIANS

Maclean's — delivering what matters to Canadians for over 90 years

Maclean's
WHAT MATTERS TO CANADIANS

EDITORIAL UPDATE

ELECTION '97

Maclean's Election Coverage includes a special feature in the May 26 issue The Election Handbook. Providing information on how and when to vote, the complete list of candidates by riding and the new electoral boundaries this insert will be invaluable to Canadians from coast to coast. Watch for it on newsstands on May 19

Hold the Presses!

To bring readers a comprehensive analysis of the federal election, Maclean's will delay normal publication of its June 9 issue. Instead of publishing on Monday, June 2, Maclean's will hold the presses and come out on Wednesday June 4

☆ Special Advertising Features

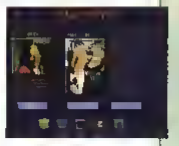
Maclean's develops and produces several engaging advertising sections with single-sponsor or multiple advertisers.

Maclean's June 2 issue features a special advertising supplement on Action 21, an Environment Canada project that provides funds to groups working together for a healthier environment. Local heroes across the country are heralded for their efforts to reduce air pollution and toxic substances, conserve and rehabilitate natural areas, and protect biodiversity. On newsstands May 26.

Visit the Action 21 homepage on Environment Canada's web site: The Green Lane at http.//www ns.ec.gc.ca/action21/menu.html

Web Site News

Maclean's on the Web this week



Maclean's on the World Wide Web serves up a variety of stories from the current week's issue Our address is **http://www canoe ca/macleans**

Our Internet edition also offers:

- **Maclean's Weekly Selections**—Informative and entertaining Web sites tied to the week's top stories, selected by Yahoo! Canada and Maclean's.
- **Maclean's Keepers**—a selection of previous stories organized to help readers follow current issues.
- **University Rankings**—our annual look at universities, plus a directory with links to university Web sites
- **Maclean's Forum**—a place to speak out on issues of the day

Maclean's on CompuServe

Maclean's Online delivers the full text of Maclean's every week. Maclean's Online members can also participate in interactive forums, post messages to other members and search back issues of Maclean's.

To receive a Free CompuServe Membership Kit, call 1-800-848-8199 and ask for the Maclean's operator

Subscriber Services

Notice to Subscribers Affected by Flooding in Western Canada

If you have missed issues in your Maclean's subscription due to the flood conditions, just contact us and we will be pleased to extend your subscription accordingly or to replace any missed issues

- To subscribe or renew your subscription
- To report an address change
- To check your account status and expiry date
- To stop receiving renewal notices by joining the Convenient Subscription Plan
- To report a delivery problem
- To temporarily suspend delivery or re-direct your copies while travelling

Mail Preference: Occasionally we make our subscriber list available to reputable companies and organizations whose products or services may be of interest to you If you do not want your name to be made available, please call or write us

Scent Strips: Occasionally Maclean's will include advertisers' scent strips in its issues. If you prefer to receive scent-free issues please call or write us

Subscriber Services
☎ Call 1-800-Maclean's
(or 416-596-5523)

Changes of address – 24 hours
Other Inquiries – 9 am – 7 pm ET
E-mail – service@macleans.ca
Mail to: Maclean's Subscriber Services,
777 Bay St 8th floor, Toronto, Ont.
M5W 1A7

Maclean's
CANADA'S WEEKLY NEWSMAGAZINE

Publisher BRIAN SEGAL

Director of Advertising Sales Charles A Hodgkinson
General Manager, Sales *(Quebec)* Jean-François Douville
Account Managers *Montreal* Maryse Bayard, José Cristofaro
Dick Donahue *(Ottawa)* Toronto Jack S Fertile Kelly Millar
Dana Francez Michael Travers (Sr Acct Mgr)
L Jane Avery *(New York)* Tom Fleming, Calin Jacobs
George Kennedy Blair Graham
Vancouver Bill More (Sales Mgr)
Sales Co-ordinators Céline Gauthier Meredith MacDonald
Kathryn Murphy Julie Stewart Shelley Tait

ADVERTISING SALES INFORMATION (416) 596-5311

Director of Business Operations Immee Chee Wah

Director of Marketing & Research Nicola Clayton
Director of Research Services Sharon A. Murray
Director of Creative Services Paul H Jarsky

Advertising Production Manager James Maran
Production Co-ordinators Irene Shaw Jewel Park

Director of Consumer Marketing Tracey McKinley
Circulation Manager Victoria Newland
Manager, In Class Program Monica Kucharski
Assistant Manager, Customer Service Mavis Julius

Maclean's is published by
Maclean Hunter Publishing Limited

Chairman James K Warrillow
President and Chief Executive Officer John H Tory
Executive Vice-President Terry L. Malden
Executive Vice-President Brian Segal
Vice-President, Circulation Michael J Fox

MACLEAN'S established 1905 is published weekly except for one double-issue at year-end by Maclean Hunter Publishing Limited Maclean Hunter Building 777 Bay St Toronto Ont M5W 1A7 Montreal office 1001 de Maisonneuve ouest, Montreal, Que H3A 3E1 Vancouver office Ste 900 1130 West Pender St Vancouver, B C V6E 4A4 Contents Copyright© 1997 by Maclean Hunter Publishing Limited may not be reprinted without permission Maclean's ISSN 0024 9262 Full subscription prices Canada 1 year $49 52 (GST inc) $52 74 in Quebec (GST and QST inc) U S A 1 year $61 00 surface or $131 00 first class all other countries 1 year $166 00 airmail Microfiche and 35 mm microfilm Micromedia 20 Victoria St Toronto Ont M5C 2N8 Indexed in Canadian Periodical Index Canadian Business Periodicals Index the Magazine Index the Canadian Magazine Index and indexed on-line in the Canadian Business & Current Affairs Database Full text reference on line on Globe Information Services Infomart Online and NEXIS

Printed in Canada by
Quebecor Printing Inc

Why must a day only have three meals?

DOES there always have to be only one national cuisine?

CAN food do more than just nourish the body?

CAN you discover a country through its cuisine?

WHO said we can't eat with our fingers?

ARE we really asking too much?

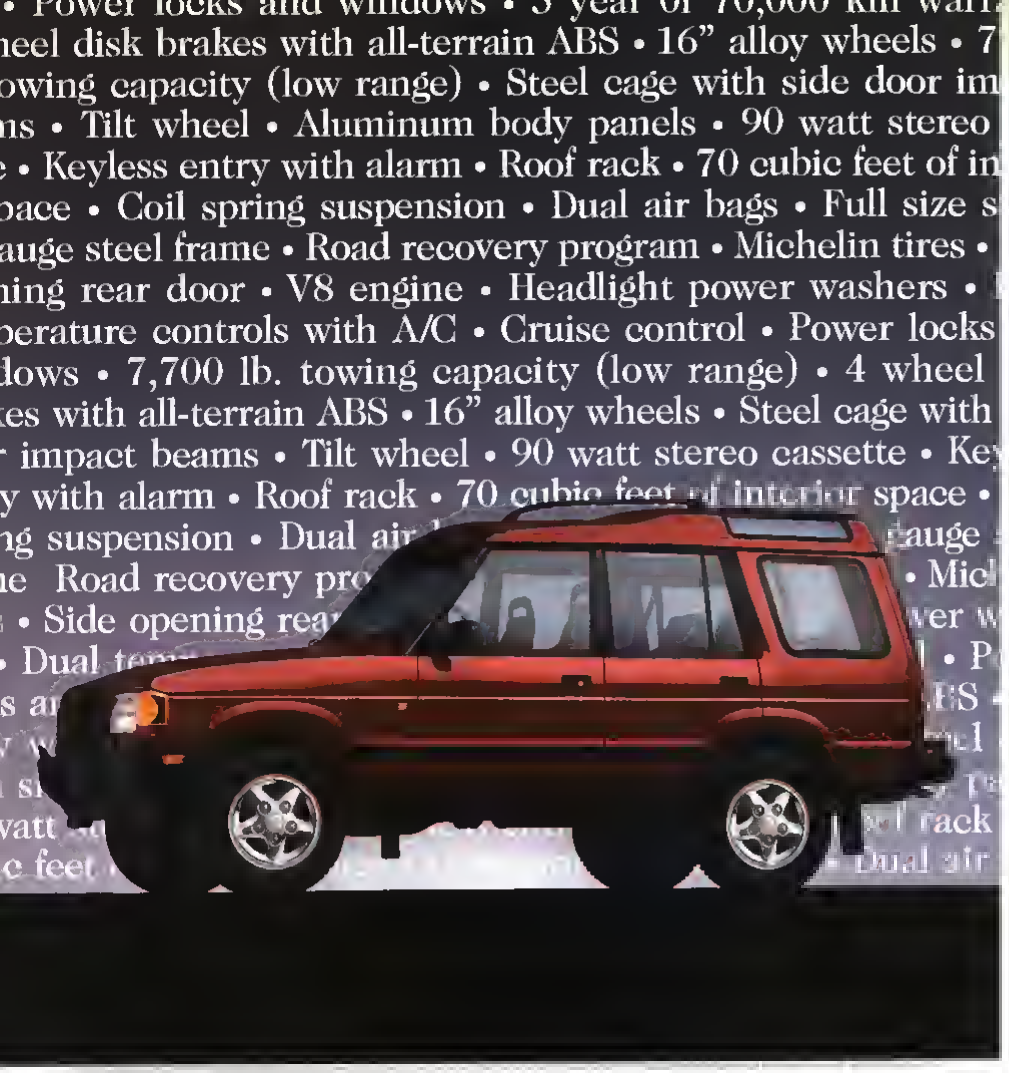
NEW ASIA

Singapore

So easy to enjoy, so hard to forget.

For more information, contact the Singapore Tourist Promotion Board at 1-800-944-8278 or visit our internet site http://www.singapore.ca.com

• Power locks and windows • 3 year or 70,000 km warr
heel disk brakes with all-terrain ABS • 16" alloy wheels • 7
owing capacity (low range) • Steel cage with side door im
ns • Tilt wheel • Aluminum body panels • 90 watt stereo
• Keyless entry with alarm • Roof rack • 70 cubic feet of in
pace • Coil spring suspension • Dual air bags • Full size s
auge steel frame • Road recovery program • Michelin tires •
ning rear door • V8 engine • Headlight power washers •
perature controls with A/C • Cruise control • Power locks
dows • 7,700 lb. towing capacity (low range) • 4 wheel
es with all-terrain ABS • 16" alloy wheels • Steel cage with
impact beams • Tilt wheel • 90 watt stereo cassette • Ke
y with alarm • Roof rack • 70 cubic feet of interior space •
ng suspension • Dual air auge
e Road recovery pro • Mic
• Side opening rea ver w
• Dual te • P
s a BS
watt
e feet rack
dual air



$42,950*. No, that's not the monthly lease payment.

It's actually the purchase price.
Which is surprisingly low for a vehicle with features founded on the rather distinguished legacy of Land Rover engineering.
That simply means there's hardly a stretch of earth on earth that can so much as slow it down.
There's barely an uninhabited corner of the world that a Land Rover has not, at one time or another, inhabited.
Regardless of any additional challenges posed by rainstorms, hailstorms, or snowstorms.
So why not call 1-800-FINE 4WD for the Land Rover dealer nearest you and see this extraordinarily equipped vehicle for yourself.
Because with all the Discovery has to offer, $42,950 is certainly an impressive list price.
Especially when you consider everything that's on the list.

LAND ROVER DISCOVERY

*Excludes taxes, duties, ICBC, PST and other provincial charges.

Backstage



Anthony Wilson-Smith

Parizeau was never to be trusted

In 1979, Lucien Bouchard was practising law in his home town of Chicoutimi when then-Premier Rene Levesque telephoned. The premier, impressed by earlier work that Bouchard had done for the government, wanted him to serve as chief negotiator in labor talks with the province's civil servants. It was a huge job, because Levesque wanted unprecedented pay and work concessions from the province's powerful trade unions. The challenge became even more difficult, as Bouchard later recounted in his memoirs, entitled *On the Record*, because Lévesque had "handed day-to-day government operations over to [then-Finance Minister Jacques] Parizeau." He was a man who, as Bouchard wrote, 'liked negotiations with their dramatic turns, opposing strategies, and surprise countermoves." And Parizeau, ever sure of himself, wanted to choose his own chief negotiator. When Bouchard reported for his first day of work, he recalls, 'I was surprised at his cool reception."

Perhaps Lucien Bouchard never learned the old adage that most children seem to absorb as soon as they set foot in a schoolyard. Fool me once, shame on you, fool me twice, shame on me. If he had, he might have rejected Parizeau's reluctant offer to make him chief negotiator of the sovereignty side during the 1995 Quebec referendum campaign. By then, Bouchard knew from firsthand experience, he could not count on Parizeau for trust, affection or, most importantly, full disclosure of necessary information.

> Personal dislikes and ideological differences are splitting Quebec's sovereigntists as badly as Canada's federalists

All of that matters now because it is just becoming clear—even as Quebec sovereigntists are closer to their goal than ever before—that they are every bit as divided as Canadian federalists. The divisions in Ottawa are easy enough to spot, and are more than ideological. Prime Minister Jean Chretien and Reform party Leader Preston Manning, for example, do not only disagree; they also give every impression of disliking each other. Although Chretien regularly communicates with politicians from other parties, and counts some as friends, he and Manning seldom speak outside the House of Commons. That, Manning said recently, "is because we [Reform] are not part of that little traditional Ottawa insiders' circle—and we do not want to be." Nor, for that matter, does Manning get along with Progressive Conservative Leader Jean Charest—and Charest, in turn, has a chilly relationship with Chrétien. The two men who became close during the referendum campaign, have been at odds personally since Chretien pre-empted Charest's speech on television on referendum night with his own victory address.

All that may sound like petty stuff among leaders supposedly dedicated to the preservation of a country—but the reality is that the putative builders of a Quebec nation don't do any better. Parizeau and Bouchard, of course, get along about as sweetly as two cats in a sack. Michel Gauthier, who briefly ran the Bloc Québécois in between the reign of Bouchard and present leader Gilles Duceppe, was regarded with suspicion by both men. Duceppe's first act as party leader was to deny Gauthier the one job he really wanted, as the Bloc's House leader. Then there's Yves Duhaime, the former Parti Québecois cabinet minister who finished a strong second in the leadership race that Duceppe won. He was so underwhelmed by the result that he refused to go onstage to rally around the new leader, and did not pledge his support until Duceppe, virtually pleading, came to the riding where Duhaime is now running against Chretien to pay homage.

It is not only sovereigntist leadership hopefuls, however, who fight one another; the same applies to rank and file members. Two incumbent Bloc MPs will not be running for the party this time because they could not win nomination battles in their ridings. At least one of them now plans to run on his own—as an independent MP campaigning for Quebec independence against his former, pro-*independentiste* party. Another incumbent, veteran MP Nic Leblanc, wrote a guest column for a Montreal newspaper recently, detailing all the reasons why Duceppe would not make a good leader. Then there is Mario Dumont, the youthful head of the Parti d'action democratique. During the referendum, he campaigned on behalf of the Yes side. In this election, Dumont—who has cited Ontario Premier Mike Harris as a cost-cutting role model—won't say whom he supports, but he says he finds the pro-federalist Charest to have "the most impressive message" of any leader.

Perhaps the real problem is that the concept of sovereignty has come to mean all things to all people—and, by extension, nothing specific to anybody. Some people, like Dumont, think a sovereign Quebec should maintain political and economic ties with Canada, but become a sort of pro-business, free enterprise zone, like a northern Singapore. Others, like the province's powerful union leaders, see the future nation as a sort of North American Sweden of yesteryear, characterized by Big Government, even bigger taxes, and no ties to anyone else. Which qualities would characterize an independent Quebec? Until now, it hasn't mattered, because sovereigntists have only had to agree on what they *don't* like—which is the present federal system. In a separate Quebec, in which the leaders had only each other to blame, they might soon find one of their worst nightmares coming true: a bickering, divided nation not at all unlike the one they thought they had left behind.

Opening Notes

Edited by BARBARA WICKENS

Music to an orchestra's ears

When concertgoers attended the Kitchener-Waterloo symphony last week, they found that the hall in The Centre in the Square had been rigged with seven television cameras and plenty of accompanying sound equipment. While taping and recording concerts is nothing new for the Kitchener, Ont.-based symphony, the deal that the 55-member orchestra has with Ark System Corp. of Japan is in a league of its own. Under the terms of the agreement, Ark is taping as many as 18 concerts in 1997 and 1998. The footage will be packaged into 27 one-hour TV programs for broadcast throughout Asia starting in May, 1998. Beyond that, Ark holds the worldwide broadcast rights and may also use the programs for videocassettes, digital video discs and CD-ROMs, and on the Internet.

The deal was struck last January after Tokyo-based director Eiji Kushima worked with Chosei Komatsu, the Japanese-born music director of the Kitchener symphony, on a television commercial at The Centre in the Square. As a result of that collaboration, Kushima decided that Komatsu, a rising international star, and the centre, with its reputation as one of the finest concert halls in North America, were ideal for the series. Symphony managing director Mark Jamison estimates the project is worth more than $2 million to the Kitchener area, thanks to both the number of local crews and Japanese visitors involved in the productions. The money is timely, adds Jamison. "Arts organizations don't have a lot of political currency these days, and alternative sources of funding are certainly welcome."



Komatsu at the Centre: the ideal setting for a special concert series

From victim to parole activist

Less than a year after she had her throat slit nearly ear to-ear, Mississauga, Ont., real estate agent Wendy Carroll is fighting back. Because the men who allegedly attacked her last July were convicted murderers out on parole, Carroll, 32, has launched a lawsuit against the Attorney General of Canada, as well as the Solicitor General, the National Parole Board and the Correctional Service of Canada. Carroll, who was able to return to work two months after the incident, still vividly recalls the moment when a man posing as a potential home buyer and his friend grabbed her by the wrists and flashed a 40-cm machete. "I remember thinking, 'These scumbags are going to kill you right here. You're going to die.' And I thought, 'No! This is not going to happen.'" Carroll, who lost 5.5 pints of blood before crawling across the street to a nine-year-old boy, awoke in the hospital the next day to find an armed guard at her door and a 12-cm scar on her throat. Two days later, police arrested John Kehoe and Edward Schwartz and charged them with attempted murder, their next court appearance is scheduled for June 20. Meanwhile, learning that both men were not only convicts but were wanted on Canada-wide warrants for parole violations, Carroll vowed—as soon as her recovery permitted—to make parole laws an issue that cannot be ignored. "There is no mandate to pick up criminals in breach of their parole," she says. "How is public safety not our No. 1 priority?"



RICK EGLINTON/TORONTO STAR

Carroll: fighting back

Southbound seed money

Environmentalists say "Think globally, act locally," but some generous Canadians are thinking globally and acting south of the border. As part of its "Add a dollar, plant a tree" program, Redmond, Wash.-based Eddie Bauer Inc. encourages customers to donate a dollar when they make a purchase. Since October, 1995, the casual clothing chain's 420 U.S. outlets have collected $854,000, or about $2,000 per store, while the 31 Canadian-based stores have amassed $196,000, for an average of about $6,300. That means Canadians have been proportionally more generous—even though a store pamphlet clearly indicates that seven of eight reforestation sites are in the United States. (In fact, the brochure showing a lone Canadian site near Sombra, Ont., 30 km south of Sarnia, is outdated. The program has since been expanded to include another Canadian location, this one in British Columbia's Fraser Valley, as well as two more U.S. sites.) "The Canadians have *really* responded," says company spokeswoman Liz Gorman. "We're very pleased." Still, she says Eddie Bauer realized there was a potential problem with most of the Canadian money going to the United States—so the company added the site in British Columbia last January. Besides, Gorman adds, it is important to keep the bigger picture in mind. Trees, she says, "contribute to our air quality and air doesn't know any geographic boundaries."

Free parking? *Nyet!*

The Cold War is over, but that has not stopped U.S. and Russian authorities from engaging in a new trans-Atlantic battle—over parking privileges. The so-called war of the parking spots erupted in late December when New York City police allegedly roughed up two diplomats, a Russian and a Belarussian, who had parked their car near a fire hydrant. Not only did Mayor Rudolph Giuliani reject accusations of a police assault, but he also went on to say that the Russian and Belarus missions were among the worst offenders of parking regulations among diplomatic representatives to the UN headquarters in Manhattan. Giuliani's solution: a plan to impound chronic scofflaws' vehicles. In Moscow, Mayor Yuri Luzhkov took charge of the Russian counter offensive. Under a campaign code-named "Operation Foreigner," he instructed the GAIshniki, or traffic police, to crack down on foreign drivers. The cops began enthusiastically pulling over cars bearing the distinctive yellow or red licence plates assigned to resident non-Russians, paying special attention to plates beginning with 004—the three-digit designation for U.S. vehicles. But that was only the beginning of the anti-American offensive. In late April, Moscow authorities turned the streets around the U.S. embassy into paid parking zones. With charges of almost $2 per hour, the new regulations mean that hundreds of U.S. diplomats must now wangle a scarce slot inside the compound walls or face out-of-pocket expenses of $4,000 a year or more. Meanwhile, Canadian and other foreign representatives can still park free of charge in the streets near their embassies.

BEST-SELLERS

FICTION

1 **Fall on Your Knees,** *Ann-Marie MacDonald (4)*
2. **Dust to Dust,** *Timothy Findley (6)*
3. **The Partner,** *John Grisham (3)*
4 **Mason & Dixon** *Thomas Pynchon*
5 **The Echo,** *Minette Walters (1)*
6 **Birds of Prey,** *Wilbur Smith (2)*
7 **American Pastoral,** *Philip Roth*
8 **Alias Grace,** *Margaret Atwood (7)*
9 **The Englishman's Boy,** *Guy Vanderhaeghe (10)*
10 **Gut Symmetries,** *Jeanette Winterson (5)*

NONFICTION

1 **Boom, Bust & Echo,** *David Foot and Daniel Stoffman (1)*
2. **Angela's Ashes,** *Frank McCourt (2)*
3 **Simple Abundance,** *Sarah Ban Breathnach (3)*
4 **Sex in the Snow,** *Michael Adams (5)*
5. **Eight Weeks to Optimum Health,** *Andrew Weil (4)*
6. **Into Thin Air,** *Jon Krakauer*
7 **Personal History,** *Katherine Graham (8)*
8 **Deadly Feasts,** *Richard Rhodes (9)*
9 **Byron,** *Phyllis Grosskurth (10)*
10 **Career Intelligence,** *Barbara Moses (6)*

() Position last week. Compiled by Brian Bethune

St. Croix versus U-305



In an unusual co-operative effort, Canadian military historian David Bercuson and German naval historian Holger Helwig have written about the Battle of the Atlantic. *Deadly Seas* focuses on the Canadian destroyer St. Croix and the German submarine U-305, and their tatetul encounter in September, 1943.



PETER B. FOTO: VIOLENS

PAST, PRESENT AND FUTURE: *Last September, seven members of the group PhotoSensitive travelled to Gdansk, Poland. There, the Toronto photographers—including* Maclean's *photo editor Peter Bregg—produced a Canadian view of the historic city, which celebrates its millennium in 1997. The results, a stunning show of 60 black-and-white pictures, opened last week in Toronto and heads to Gdansk in June.*

Passages

MARRIED: Actors **David Duchovny**, 36, who portrays FBI agent Fox Mulder on the Fox TV cult hit *The X-Files*, and **Téa Leoni**, 31, star of the NBC sitcom *The Naked Truth*, in a 10-minute ceremony, in New York City. The two had a long-distance courtship of just a few months: his program is shot in Vancouver, and hers in Los Angeles. Duchovny, who wore a tan suit, and Leoni, who wore a pink strapless dress, were married at Grace Church School where Duchovny attended primary grades, and where his mother, **Margaret**, still teaches. It is his first marriage and Leoni's second.



RESIGNING: Quebec's chief electoral officer **Pierre F. Côté**, 69, effective July 16, for personal reasons in Quebec City. In his 19 years in office, Côté oversaw four provincial elections and three referendums. Côté, however, is best-known outside Quebec for charging 18 people who transported No-side supporters to the 1995 Montreal rally with contravening Quebec's referendum act for failure to register their expenses in the federalist campaign budget.

RESIGNED: After two days on the job as a news commentator at a Chicago television station, tabloid talk-show host **Jerry Springer**, 53, claiming the attacks against him had become too personal. Veteran WMAQ anchor **Carol Marin** quit her job on May 2 after the station hired Springer, saying he undermined the credibility of TV news. Springer hosts one of TV's most outrageous talk shows.

DISMISSED: A wrongful-death suit filed by **Carroll O'Connor**, 72, best-known for his role as Archie Bunker in the 1970s sitcom *All in the Family*, against **Henry Perzigian**, 41, who allegedly supplied narcotics to the actor's son, **Hugh**, before his suicide in 1995, in a Los Angeles court. Hugh O'Connor appeared in the series *In the Heat of the Night* with his father.

DIED: Singer **Roch Voisine**'s manager, **Paul Vincent**, 46, who pleaded guilty in April to cocaine possession, of unspecified causes, in his Montreal apartment.

DIED: Journalist **Helen Rochester**, 64, who in 1965 became one of Canada's first restaurant reviewers and went on to write 10 guidebooks to dining in Montreal, of cancer, in a Montreal hospital.

COVER

THE UNITY BOMBER



Jacques Parizeau re-emerges—and rocks the election campaign

BY ANTHONY WILSON-SMITH

ELECTION '97

Call them the Legion of the Damning—an elite but unhappy group of former political leaders who rise, often at the most inopportune times, to smite their successors with deeply wounding revelations or advice. Outside Canada, the most obvious example is former British prime minister Margaret Thatcher, whose combination of barbs and faint praise directed at John Major helped drive him from office earlier this month. At home, Pierre Trudeau has made a habit of rising from the political dead, helping to kill the Meech Lake constitutional accord in 1990, the Charlottetown accord in 1992, and then complaining about the No side's tactics in the aftermath of the 1995 Quebec referendum campaign. There is also Brian Mulroney, who emerged after 3½ years of silence to offer constitutional advice to Prime Minister Jean Chrétien last month.

And now—former Quebec premier Jacques Parizeau, aiming for his place in history no matter what the cost to his sovereigntist successors. Did Parizeau really mean to blatantly deceive the Quebec public and declare unilateral independence in the immediate aftermath of a Yes vote? That seemed to be the clear suggestion in a section of a new book by Parizeau, *For a Sovereign Quebec*, that was leaked to a Quebec City newspaper last week. In the ensuing furor, which included denunciations by Quebec Premier Lucien Bouchard and other sovereigntists, Parizeau issued a statement saying the notion that he "would have proclaimed sovereignty in the days after a referendum is more than false, it is a lie."



But Bouchard was one of those who acknowledged that such a conclusion could easily be drawn from Parizeau's writing. Said Bouchard: "I am filled with consternation at the idea of the interpretations that are made and which, obviously, find a certain foundation in the clumsy wording of this passage of Mr. Parizeau's book."

By releasing his book now, in the middle of an election campaign—the official launch was set for May 12—Parizeau was almost certainly aware of the controversy it would cause, and the effect it would have on sovereigntists. The uproar effectively turned the federal election campaign upside down and left the five major parties scrambling. Among other things, there were signs of vulnerability in the Bloc Québécois—which had been widely expected to take at least 50 of Quebec's 75 seats—and both the Liberals and Tories rushed to exploit that.

There are several reasons for Parizeau's behavior—and his timing. For one, it has never been a secret that Parizeau and Bouchard dislike each other. Parizeau considers Bouchard a latecomer to the sovereigntist movement and, in private, sometimes scathingly compares Bouchard's days as Canada's ambassador to France in the mid-1980s with his own activities at that time, rebuilding the then stumbling Parti Québécois. As well, since resigning as premier on October 31, 1995, Parizeau has both publicly and privately fretted that the PQ under Bouchard is not talking enough about sovereignty. And even when it does, Parizeau feels, the party spends too much time emphasizing the concept of a political and economic association with Canada.

Partly as a result of his own beliefs—that Quebec would fare better if it was completely independent, rather than still maintaining some links with Canada—friends say Parizeau seriously considered running for the BQ leadership earlier this year. And since Gilles Duceppe, a close friend of Bouchard, became leader, Parizeau has complained privately about the Bloc's lack of commitment to sovereignty. (When Duceppe appeared on a Montreal talk show last week, several callers expressed their support for Parizeau and derided Duceppe as a "pretend sovereigntist.") By launching his book in mid-campaign, Parizeau ensured that the sovereignty issue was again front and centre at a crucial time.

The controversy was enough to push the already troubled BQ campaign further on the defensive. And it was likely to continue this week, with Parizeau scheduled to appear at book launches in Montreal and Quebec City. Suddenly, a moribund federal election campaign had found an issue—national unity—that may, in fact, resonate until the June 2 vote. In the process, it underscored the sometimes sharply diverging points of view among the major parties on how best to handle Canada's constitutional future.

That debate hinges on age-old questions. How should the rest of Canada respond to the sovereignty movement—with open

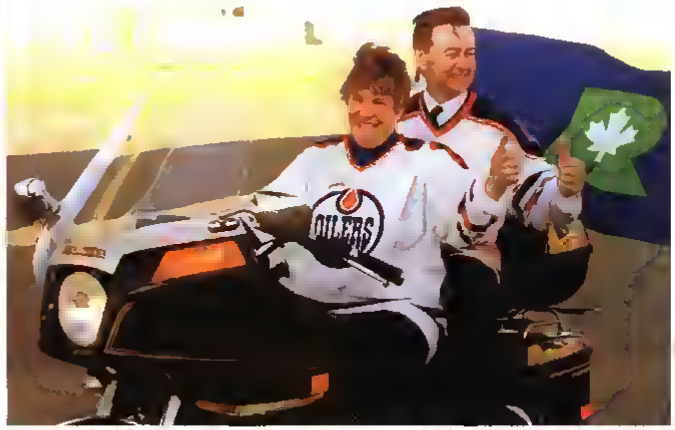
'SPEEDY RECOGNITION'

The following is an edited, translated excerpt from Jacques Parizeau's book, Pour un Québec souverain.

There was a need to re-establish in France the credibility of the sovereigntist cause, and establish my own credibility as leader of the Parti Québécois. That allowed me, later, to initiate what I called "the great game."... That strategy was the common denominator underlying all my moves. It consisted of understanding ... that the Americans, already unhappy at having to tell Canadians they would maintain Quebec in NAFTA, would not be inclined to recognize a Quebec that declared itself sovereign unless they really had no other choice. The only way to get the Americans to accept Quebec's new status would be by getting France to quickly recognize Quebec as a country. That, the United States could not abide.

On the occasion of an official visit to France in Jan., 1995, I set in motion for the first time my game. It was during that trip that [former French president] Valéry Giscard d'Estaing raised an important issue that, until then, I had not fully understood. The drift of what he was saying was that it was necessary, in the hours or days that followed a Yes victory in the referendum, for Quebec to make a solemn gesture to proclaim its sovereignty. Without that, no foreign country could provide speedy recognition, that is to say, within a week or 10 days. If the proclamation of independence were suspended, say for six months or a year, to allow time for negotiations with Canada to succeed, or to draft jointly with Canada a partnership treaty, fine. However, France, or any other country, can only recognize a country it does not recognize an intention.

One will find that the parts of my speeches that deal with negotiations with Canada are drafted in a way that would allow such a declaration of sovereignty. And I have never committed myself, publicly or privately, not to make a unilateral declaration of sovereignty. All that has been written in the newspapers on this matter shows once again that, in these matters, those who talk don't know and those who know don't talk.



Manning with Reform's Deputy Leader Deborah Grey; Parizeau (top left); Charest (left): a controversial book excerpt and an uproar that effectively turned the campaign upside down

arms and new constitutional proposals, with tough love, or with a combination of the two? So far, the proposals from various political leaders include all of the above. But the Parizeau affair has also raised new issues. Can Bouchard still credibly maintain his promise that a sovereign Quebec would seek a "partnership" with the rest of Canada after a Yes vote? What guarantee is there for Quebecers —and indeed for other Canadians—that a Yes vote would be interpreted by all sides to mean the same thing? And what, to paraphrase a famous question, do Quebec sovereigntists really want—and how can the rest of Canada stop them from having it?

Most, if not all, of those questions seemed certain to be raised in the two televised leaders debates this week. Those encounters were expected to mark the beginning of the "real" campaign—until last week, to use a word favored by strategists from all parties, the public appeared "disengaged" from the election. But the unity question strikes a strong emotional chord in many people. Sovereigntist leaders greeted the Parizeau revelations with a mixture of shock, dismay—and denials that anyone else had known of his plans. Popular radio talk show host Jean Lapierre, a one-time Liberal cabinet minister and later a Bloc MP, declared that the Parizeau affair amounted to a "Scud missile" aimed at the heart of the sovereigntist movement, and said the former premier is to the movement "what Bre-X is to the mining industry."

On a national level, the uproar was enough to transform the tone of the campaign—and elicit responses from two leaders who had done their best to previously avoid the topic of Quebec's place in Canada. Chrétien and Tory Leader Jean Charest. In the campaign's early days, the once-combative Chrétien appeared generally restrained in his appearances. But last week, he went on the offensive, criticizing Parizeau—and also dismissing suggestions from other sovereigntists that they had been unaware of his apparent plan for Quebec to make a quick exit from Confederation. "They are all saying it was only Mr. Parizeau," Chrétien said. "I am skeptical."

Similarly, Charest had been muted on the Quebec question. Now vigorously courting the so-called soft nationalist vote in Quebec, he toned down his once-fierce criticisms of Bouchard. And in the West, he tried to avoid another topic—the Tory platform's support for the constitutional recognition of Quebec as a "distinct society." Last week, though, Charest came out swinging against the separatist movement. "How much can you really trust what the sovereigntist leaders are telling you?" he asked. He also took aim at the Liberals, in particular the federal government's ongoing Supreme Court of Canada challenge to Quebec's self-professed right to declare unilateral secession. Charest argues that the government is acknowledging that the possibility of Quebec secession exists—and that doing so makes the notion seem more real. "I will never propose to this country any formula to negotiate its breakup," he declared.

Other leaders also got into the act. Reform's Preston Manning renewed his call for both Chrétien and Charest to say precisely what they would do in the event of a Quebec declaration of sovereignty. The two leaders, Manning said, should be asked "just one simple question: do you finally agree with us that it's time to have a real plan?" NDP Leader Alexa McDonough, meanwhile, suggested in Regina that people already knew what Parizeau planned for Canada—and tried to keep the focus on jobs and the economy, calling them the "real shared priority of all Canadians."



The Bloc is the only obvious loser in the Parizeau affair

Chrétien, expressing skepticism and switching to the offensive after a restrained start on the campaign trail



Bouchard with Duceppe (left) and Bloc candidate Yves Duhaime (centre): shock, dismay and denials

In addition to their philosophical differences, the various leaders are clearly trying to appeal to vastly different constituencies. Ever since the referendum, the Liberals have been trying to be all things to all people with a two-pronged approach dubbed Plan A and B. The first part of the plan consists of wooing Quebecers back into the federalist fold through a series of small steps, such as legislation in the House of Commons declaring the province a distinct society, and devolution of some powers to the provinces. Plan B involves emphasizing to Quebecers the legal difficulties, economic headaches and overall uncertainty that would follow a Yes vote. That tougher approach, the Liberals hope, also appeals to many people in the rest of the country.

Charest, meanwhile, is now trying a more overt pitch to the so-called soft nationalists in Quebec. In a well-received speech in the sovereigntist heartland of the Saguenay-Lac St. Jean region last week, he called for a new policy of "national reconciliation." However, he provided few specific details. And by denouncing the federal challenge to Quebec's right to unilaterally secede, the Tories are echoing the mainstream view within that province.

The danger for the Tories, of course, is that Reformers are quick to exploit their perceived softness on the Quebec issue. Reform's hardline strategy towards Quebec—including an emphasis on the consequences of sovereignty and a stand against distinct society—is most popular in the West, where anti-Quebec sentiment runs highest. But Manning has also tried to cash in on frustration over the unity issue elsewhere. Campaigning in Ontario last week, he urged people to take

BACK FROM THE BRINK

Jean Charest is only 38 years old, but his wunderkind days now seem long gone. First elected to the House of Commons in 1984 at the age of 26, he was chubby and baby-faced, with a mass of flaming-red curly hair. Today, the hair is thinner, more neatly trimmed and touched with gray, the once-cherubic face is gaunt, the result of 45 lb. lost through dieting and daily exercise over the last six months. "I have," he says with a grin, "done arm exercises—pushing myself away from the dinner table."

For most of the last 3 1/2 years, Charest has travelled the country, seeking to rebuild his shattered party. He often flew in cramped, 16-seat passenger aircraft, alone or with one aide, relying on lifts from Tory supporters in each riding to cut costs. Now, he flies on charter aircraft, accompanied by his wife, Michèle Dionne, an entourage of about a dozen tour aides, policy advisers, assistants and security people, as well as members of the media.

Despite being the youngest of the five leaders, Charest has, after Prime Minister Jean Chrétien, the most government experience. He served in a variety of cabinet posts from 1984 to 1993, and was deputy prime minister in Kim Campbell's short-lived government. His time in cabinet was marred by one scandal: he resigned as sports minister in 1990 after telephoning a judge about a case related to his portfolio. At the start of the 1993 leadership race, Kim Campbell's lead appeared so insurmountable that Charest, like other ministers, saw no point in running—until Brian Mulroney pleaded with him to do so "for the good of the party." In the end, Charest lost by only 187 of a total of 3,447 votes.

The leadership finally came in December, 1993—following Campbell's resignation after leading the party to its devastating electoral defeat. But the past 3 1/2 years have been difficult. In the wake of the 1993 election, Charest remained publicly upbeat—but later acknowledged periods of deep despair to friends. At one stage, he confessed that he had not told Dionne of several lucrative offers from law firms because, he said, "she would insist that I accept."

His name continues to surface as a potential successor to provincial Liberal Leader Daniel Johnson. That would put him at the head of Quebec's most important federalist party—but Charest has repeatedly denied any interest. "I love Quebec, but I also want to do things for all of Canada," he said recently. But if the Tories fare badly in this election, and Johnson's woes as Liberal leader continue, Charest will face heavy pressure to reconsider that decision—soon.



CHRISTOPHER MORRIS FOR MACLEAN'S

Charest and Dionne: public optimism and private periods of despair

A W -S *in Quebec City with* **JOHN DeMONT** *in Ottawa*

THE MANNING ENIGMA

Something just wasn't clicking with the public. So last fall, Preston Manning decided to listen to Reform's spin doctors and sharpen up his country-parson public image. He adopted a new blow-dried hairstyle, dropped the spectacles and string ties, and took elocution lessons to rid himself of his shrill western twang. "If you can change things that distract from the message then do it," he explained last week. "But I still say, be yourself."

The question is: who is he? The official résumé has always made him sound like a political poster boy for the West: son of Ernest Manning, Alberta's former Social Credit premier; evangelical Christian and staunch family man; oilpatch business consultant turned right-wing crusader. But the public image never quite fit the reality of the 54-year-old married father of five. Manning still seems to brim with contradictions: he is a self-described populist, but his iron-handed rule of Reform has caused many high-profile defections. He says he loves campaigning, but he lacks the common touch: encounters last week with voters in a Lindsay, Ont., shopping mall and with Reform youth in nearby Peterborough (Manning awkwardly traded high fives) appeared decidedly strained. And his usual aw-shucks public manner can quickly give way to sharp attacks, such as his barbs about Prime Minister Jean Chrétien's age.

Many Reformers themselves are not quite sure what to make of him. Manning is most often painted as a simple conservative ideologue. But according to University of Calgary political scientist Tom Flanagan, that characterization misses the mark. Flanagan, a former Manning adviser who was fired by the Reform leader in 1993 for questioning his leadership style, places him firmly in the tradition of Prairie populists—bent on changing the way politics represents people. "Ideology is not his deepest concern," stresses Flanagan.

Others, though, just find the mixed signals Manning sends out confusing—which helps to explain the growing tension within the party over his leadership. Some Reformers say he has not done enough in the quest for power, others feel he has gone too far and turned Reform into a party of pragmatists and opportunists—like all the others. Barring a breakthrough in the election, some Reform knives will almost surely be out for Manning after June 2. Preventing that will require more than a haircut and new clothes.

JOHN DeMONT *with DALE EISLER in Calgary*

a stand against special status for Quebec. "You hold in your hands the key to national unity," Manning said in Peterborough. "If Ontario sent out a clear message on distinct society, that would be the most unifying thing you could do."

Of all the parties, the BQ seems to be the only obvious loser in the Parizeau affair. The party appears to be in chaos at the mid-campaign mark. One reason is its leader. Polls indicate that Duceppe, who appears stiff and humorless in public, is recognized by only one in four Quebec voters and the party is slumping in the polls. According to a survey by the Leger & Leger polling firm taken between May 6 and 9—that is, starting the day before the Parizeau revelation and continuing through to the day of the former premier's denial—Liberal support in Quebec passed that of the BQ for the first time: 39 per cent to 37 per cent. For the Bloc, that was 12 points below its final tally on election day in 1993. The Tories, meanwhile, increased their share of support from 15 to 20 per cent.

Who will benefit most from the Parizeau affair? The real test, says one Chretien adviser, "will be what people are talking about after the televised debates." But Peter McCormick, an Alberta political scientist and adviser to Premier Ralph Klein, says the Liberals stand to gain the most. Chrétien's strategy, he says, of "waiting [the sovereigntists] out" now may seem justified, if the movement succumbs to prolonged bickering. And, McCormick adds, Reform's hardline stand may not continue to play well because the sovereigntist threat appears diminished. But he cautions that a weakened sovereigntist movement will not result in any lessening of the antipathy in the West—and especially Alberta—towards the cause separatists represent. "It has hardened," McCormick says, "to the point of knee-jerk reaction in this province." Ironically, Jacques Parizeau may have given pro-sovereignty Quebecers and other Canadians something they can agree on: his message is unwelcome to both sides.

With BRENDA BRANSWELL in Montreal, JOHN DeMONT in Peterborough, DALE EISLER in Calgary and MARY JANIGAN in Toronto

▣ *Do you think Jacques Parizeau's revelations will affect the election campaign and if so in what way? Post your views in the Election '97 section of the* Maclean's *forum (*www.canoe.ca/macleans*)*

FOLLOWING THE FAMILY TRADITION

Irvine Carvery was a teenager growing up in Africville—a ramshackle black community in Halifax—in the 1950s when he first met Alexa McDonough. The future NDP leader had arrived one morning with her Bible to teach Sunday school at the local Baptist Church. But, Carvery recalls, McDonough soon set aside the scriptures and began lobbying the city to do something about the deplorable living conditions in the area. Africville has since been razed to the ground, but McDonough's commitment to social change has endured. "She would always take charge," says Carvery, now a janitor, "and try to improve things for people."



ANDREW VAUGHAN/CANAPRESS

McDonough at Halifax fund-raiser: a need to get elected and rebuild a party with only nine seats

But in the NDP's scheme of things, improvements cost money—and in today's fiscally prudent times that may carry a political price. A storm of criticism has greeted the NDP election platform, unveiled on May 1. The party has promised to kick-start the economy by pumping almost $19 billion into a massive public works program. That would be partly paid for by raising $8 billion in tax increases on corporations and individuals who earn more than $100,000. The shortfall, McDonough argues, would be made up from tax revenues that would increase as the economy picks up steam. But Jack Carr, an economics professor at the University of Toronto who analyzes government budgets, notes that most Western countries have rejected such massive spending proposals because they have failed to produce lasting jobs. And he says that after years of painful deficit cutting, most Canadians would probably reject McDonough's program. "We don't want to see the deficit balloon," said Carr, "and go through all that pain again."

McDonough, 52, defends her party's platform by saying that job creation demands as much effort as deficit reduction. And she acknowledges that, with the NDP enjoying little hope of gaining power, her main emphasis is on leading the party out of the political wilderness in which it found itself after the 1993 election—with only nine seats and no official party status. To rebuild the party, McDonough, who spent 14 years at the helm of the Nova Scotia NDP, has been campaigning at a frantic pace. So far, in the opinion of Paul Nesbitt-Larking, a political science professor at the University of Western Ontario in London, her campaign has gone well. At every stop, McDonough delivers the same message: more NDP MPs are needed to force the Liberals to keep their commitments. "Liberals tend to run on a social democratic platform," McDonough told *Maclean's*, "but after the election is over they govern on behalf of the elites."

With its election platform, however, the NDP may also have left itself open to charges of manipulation. Nesbitt-Larking notes that it is designed to appeal to the NDP's bedrock leftist support, in the hopes of attracting enough votes to win at least 12 seats and regain official party status. That, he says, would increase McDonough's profile in the House, allowing her time to prepare the ground for the next election. She could then appeal to more Canadians, he adds, with a more practical economic plan. "If she is able to achieve party status," says Nesbitt-Larking, "she will be very well positioned."

Among the seats that the NDP hopes to win is one for McDonough herself. She is running in her home town of Halifax, which has never elected a New Democrat. But she has earned widespread respect there. Her father, Lloyd Shaw, was both a prosperous businessman and a longtime social democrat who served as the first researcher for the Co-operative Commonwealth Federation—the precursor to the NDP. Shaw also owned and managed L. E. Shaw Ltd., a brick manufacturing company that McDonough's great-grandfather Robert Irwin founded in 1861. To win, McDonough will have to defeat incumbent Liberal Mary Clancy, popular Tory candidate Terry Donahoe and Reform candidate Stephen Greene. "She is the party leader and very well-known," says Jennifer Smith, a political scientist at Dalhousie University. "I think she could win." That in itself would be one large step in the political rehabilitation of the NDP.

TOM FENNELL





Forgive us We don't mean to sound as if we're bragging We're simply trying to stress a point. You see, for over a century we have been a leader in producing remarkable automobiles. ▶ From crash tests in our labs to endurance tests in the Arctic Circle and Death Valley, every Mercedes-Benz is engineered to perform in all kinds of driving conditions. ▶ Test drive a Mercedes and see for yourself how we can make such a statement. No ifs, ands, or buts. Call 1-800-387-0100, for your nearest dealer. Or visit us on the internet at www.mercedes-benz.ca.

Mercedes Benz



GUEST COLUMN

By Michel C. Auger

BREACH OF FAITH

Quebecers never fully liked Jacques Parizeau. They respected him as an economist and as a minister of finance, but, as party leader, they did not entirely trust him. Their reservations were reflected in 1994, when he finally won an election, but not with the landslide most people expected. He was a premier Quebecers would keep a vigilant eye on.

But one thing was clear in Jacques Parizeau's mind. The only goal of his political career was Quebec's sovereignty, and he seemed to have difficulty understanding why his compatriots did not see the necessity of full and immediate independence.

He often gave the impression that the road to sovereignty was nothing but a series of strategic advances and tactical retreats, which his adversaries always equated with lies and deceptions.

The admission by Parizeau that he contemplated making a unilateral declaration of independence if there had been a Yes vote in the October, 1995, referendum is true to his pattern. To his mind, this declaration would have been a strategic advance authorized by the result of the referendum, his federalist opponents say it is further proof that not just Parizeau but all sovereigntists tried once more to trick Quebecers.

The difference this time is that what Parizeau was considering was not a strategic move but a clear breach of trust with those Quebecers who voted Yes on the promise of an offer of partnership to the rest of Canada, to be followed by a year of negotiations to see if such a partnership was possible.

Parizeau's revelation is a betrayal of Quebecers' trust in the sovereigntists

Quebecers knew that although Parizeau was the leader of the hardliners in the Parti Quebecois, he had to deal with a much larger coalition—which included such moderates as Lucien Bouchard—who could intervene before any irreversible steps were taken.

What Parizeau's quite ambiguous text seems to say is that he would have proceeded without even telling his moderate allies, without giving them a chance to stop him. This is where a breach of trust occurs, even if, as is possible, Parizeau was just playing a chess game in his own mind and the project was never quite as serious as he now implies it was.

It is unclear from his book excerpts and from his subsequent denial what the then premier actually wanted. But one thing is certain, as Parizeau himself says: Quebec could not realistically ask for international recognition of a mere statement of intention to declare independence. International recognition requires something more tangible than that.

Still, there is a breach of trust and it is all the more serious because, in Quebec politics, trust is precisely what sovereigntists had working for them. Although this is not well understood in English Canada, for most Quebecers it was the federalists, not sovereigntists, who usually broke their word. It was Pierre Trudeau who promised change in the 1980 referendum campaign, then patriated the Constitution in 1982 without Quebec's consent. It was Newfoundland's Clyde Wells who reneged on his province's signature of the Meech Lake accord. It was Jean Chretien who solemnly promised constitutional change in the days before the 1995 referendum, only to claim he had fulfilled his obligations by a meaningless parliamentary resolution.

Now, it is the leader of the sovereigntists who lied. And it cannot come at a worse time, when the Bloc Quebecois is running an election campaign that was supposed to be based on trust and whose slogan was "*Parole de Quebecois*"—meaning the Bloc had kept its word to defend Quebec's interests in Ottawa.

After a very difficult start, Bloc Leader Gilles Duceppe had finally solved most of his organizational woes. But he never got a chance to get his own message across to voters. The Parizeau Affair took over the news in Quebec. It was a political "act of God" on which it was not possible to do damage control.

It was all the more difficult for sovereigntists because Quebecers tend to split their votes federally and provincially. "Blue in Quebec, Red in Ottawa" as the saying goes. The Bloc was asking Quebecers to break that tradition and to give a clear mandate to sovereigntists both in Quebec City and Ottawa. That required a lot of trust, a trust that was shaken by the Parizeau Affair.

The only mitigating factor for the Bloc is the fact most Quebecers understand that both Duceppe and Bouchard come from the moderate wing of the sovereignty movement, but that is a very small consolation.

Federalists—and especially the Liberals—are in the position to say: "We told you so," and to exploit Parizeau's breach of trust. Ironically, however, the one who could profit most is not Jean Chrétien but Jean Charest.

The Liberals can usually be counted on to overplay their hand when it comes to national unity. Their response to the Parizeau Affair was to come on strong with their Plan B, setting out the harsh consequences of a vote for independence, and with their Supreme Court reference on Quebec's right to secede.

As a result of last week's events, many Quebecers are likely to be looking for an alternative to the Bloc. But to them Plan B is vinegar instead of honey. It is widely seen in Quebec as a way of saying that Quebecers cannot decide their own political future, a position that a wide majority of Quebecers—both federalists and sovereigntists—vehemently reject.

By talking of Plan B and other examples of "macho federalism" since the referendum, the Liberals are more likely to drive so-called soft nationalists to the more acceptable brand of federalism represented by Jean Charest's Conservatives than to the tough love of the Liberals.

Jean Charest may not be enough of a federalist for Jean Chretien, but he is a very acceptable federalist to a majority of Quebecers. If the Parizeau Affair was a breach of trust between Quebecers and the sovereignty movement, Plan B was and is an even bigger breach of trust between Quebec voters and the Chrétien government.

Michel C. Auger is political affairs columnist with Le Journal de Montreal

Trail Mix

"My own view is that the Tories would take us back to the recession, Reform to the Depression and the NDP, well, they'd take us back to Gilligan's Island"
Finance Minister Paul Martin

"Can any Canadian today support Preston Manning when he says to Canadians, 'I'm willing to negotiate the breakup of the country'? I would never accept that."
Conservative Leader Jean Charest

"It is not a referendum campaign but it is a campaign that we have to win to then win a referendum."
Bloc Québécois Leader Gilles Duceppe

"We're all left wondering what the truth of this situation is."
NDP Leader Alexa McDonough on Jacques Parizeau's denial

SPOTLIGHT: By Mary Janigan

A CASE OF DUBIOUS FIGURES

THE POLICY: Both the Reform party and the Conservatives have promised to cut taxes, pare government and balance the budget. The Tories offer quicker relief—an immediate 10-per-cent cut in personal income taxes with their first budget. They will fund that tax break with so-called cost savings of $12 billion over three years. Reform promises to balance the budget by March 31, 1999—and then to provide tax relief of $12 billion. Those tax breaks will be funded by "projected economic growth," and by program cuts that will save $15 billion per year by the end of the party's first mandate. Both parties promise that, despite their cuts, they will spend *more* money on health and education.


Public works on Parliament Hill: cuts will hurt

THE REALITY: The Tories and Reform may talk soothingly about fat, duplication and red tape. But there is simply not that much red tape still entwined in the system. In both cases, the actual proposed cuts to program spending add up to less than the total figure that the two parties proclaim. And in both cases, the savings will still be difficult to find—and painful to implement.

The Conservative platform, "Let the future begin," is distressingly haphazard. Although the party's proposed spending cuts total $6.6 billion, the Tories provide details for only $4.86 billion in their appendix. So where do they find the rest of their "cost savings?" Most of the difference comes from their novel use of Ottawa's annual contingency reserve—$3 billion in 1997-1998—which Finance Minister Paul Martin puts aside to ensure that his deficit targets are met. If he meets the targets, the fund is not touched. The Tories would put aside annual reserves into a so-called restructuring fund until it eventually reaches $7.4 billion. They claim that the fund, coupled with $3 billion from the sale of government lands and small annual additions, will somehow cover any revenue shortfalls. In other words, they have renamed surplus funds as cost savings.

That still leaves a whopping $6.6 billion in promised cuts. They include $1.4 billion from the elimination of the public works department; $450 million from cuts to regional development agencies; $650 million from defence cuts. And the Tories optimistically expect that huge savings will flow from combining departments despite the short-term restructuring costs for example, $1.1 billion from tossing together Fisheries, Agriculture, Natural Resources and Environment.

The Reformers are more open about their determination to cut deeply—but equally blithe about their ability to find savings. Although their platform, "A fresh start for Canadians," does not provide dollar amounts for specific savings, they intend to eliminate the regional development agencies and all secretaries of state. They will downsize Canadian Heritage, Indian Affairs, foreign aid and Transport.

Reform stipulates that program spending will decline by $15 billion—to $94 billion—by the end of its mandate. But under the Liberals, program spending is already slated to decline to $105.8 billion in 1997-1998—and to $103.5 billion in 1998-1999. (The Tories' cuts are largely additions to those cuts.) That means Reformers would only have to slash, at most, about $9.5 billion—because the Liberals have already accomplished a large portion of Reform's promise.

Cutting, though, will be tough slogging for both parties. Between 1994-1995 and 1997-1998, the Liberals slashed almost $9 billion from spending—and then spent more than $2 billion of the savings. But those were real cuts that removed much of the fat that Reform and the Tories now identify as a target. Further cuts can only mean significant, wrenching changes in Ottawa's role in the Canadian federation. Neither party can pretend otherwise.

CONFRONTING THE FACES OF THE PAST



Trying to escape the long shadow of Brian Mulroney hasn't been easy for Jean Charest. Stepping from his campaign bus for a noon-hour speech to the Calgary Chamber of Commerce last week, the Tory leader came face-to-face with not one but two Brian Mulroneys. Standing on the sidewalk waving to passing motorists were a pair of pranksters wearing Mulroney masks. The two would not identify themselves, or say who if anyone put them up to the stunt, but members of Charest's campaign team blamed the Reform party, which rode a tide of anti-Mulroney anger to 52 seats in the 1993 election.

Nowhere was the bitterness stronger than in Alberta, a traditional Tory stronghold. But Reform officials deny any knowledge of those behind the masks. "I have no idea who they are, but I do know that people in Mulroney masks have been popping up at various places around the country," says Reform press secretary Larry Welsh. The first phony Mulroney sighting, he says, was in Toronto on March 18 when Charest released the Tories' election platform. With signs that the Tory vote may now be growing at Reform's expense, Charest, a former member of the Mulroney cabinet, wants to put those years behind him. "This election," he says at almost every campaign stop, "is about the future." Not if the mystery Mulroneys can help it.

TRACKING THE OPINION POLLS

Angus Reid polled 3,208 adults between May 5 and May 8

Liberals · Bloc Québécois · Conservatives · NDP · Reform

Percentage nationally

42
19
18
9

Percentages in Quebec
(796 respondents)

38
36
20
0

Reuters-Zogby poll of 1,005 likely Canadian voters, conducted from May 1 to 4

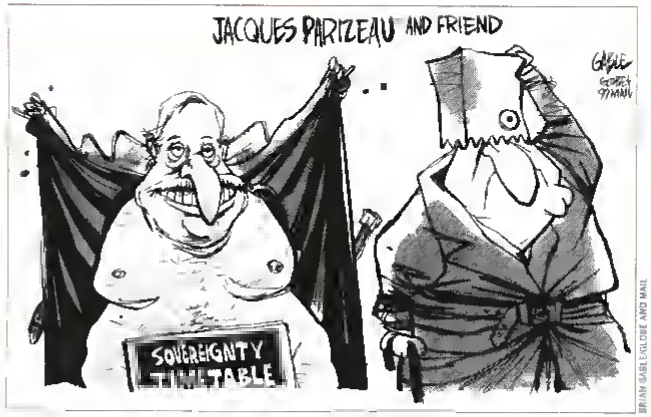
43
16
15
8

In Quebec, the poll gave the Liberals 43 per cent to the Bloc's 31 per cent

AN INDEPENDENT BRITISH COLUMBIA?

Was he muzzled? Gordon Wilson says no. Last week, the constitutional adviser to British Columbia's NDP government denied that he had been ordered to delay the release of three controversial constitutional studies until after the June 2 election. Wilson, the former provincial Liberal leader and now the sole sitting member of the Progressive Democratic Alliance in the provincial legislature, insists that the timetable for the release of the papers—which concentrate on British Columbia's constitutional future—has always been late June or early July. In that case, fireworks are expected—just in time for Canada Day. Wilson confirmed to *Maclean's* that while the papers will still promote national unity, they will also focus on how British Columbia should respond when, rather than if, Quebec separates.

"It is safe to say all evidence to date points toward an independent Quebec if Prime Minister Jean Chrétien is returned with a majority and that majority continues the policy of inaction," said Wilson, who serves as a special adviser to B.C. intergovernmental affairs and finance minister Andrew Petter. The studies, he added, will give serious consideration to whether his province should follow Quebec out of the federal fold. "One of the options we will look at," Wilson said, "not as the number 1 option, not as an option we are pushing, but as an option, is an independent British Columbia."



HIGHLIGHTS

STANOOFF AT BULL ARM

About 400 unemployed fisheries workers threw a wrench into Prime Minister Jean Chrétien's planned visit to the $5.3-billion Hibernia offshore oil platform when they stopped a bus carrying 36 journalists and Liberal aides at Bull Arm, Nfld., and prevented it from moving for three hours. Chrétien, who was travelling behind the media bus, had to rearrange his schedule but still managed a shorter visit by helicopter to the platform. The incident occurred as Statistics Canada released new figures showing that the jobless rate has risen to 9.6 per cent from 9.3 per cent in March.

FAINT HOPE

Tory Leader Jean Charest took a hardline stance on crime, but critics claimed it had more to do with appealing to right-of-centre voters than it did with personal beliefs. Standing outside the Prince Albert, Sask., prison housing serial killer Clifford Olson, Charest said that the Tories would repeal the faint hope clause, which allows some murderers to seek parole after serving 15 years of their 25-year sentence. When questioned about his conviction, Charest retorted: "Look me in the eyes if you have any doubts."

'BLOOD ON THEIR HANDS'

Voters should blame the Liberals and not the provinces for cuts to health care, NDP Leader Alexa McDonough said. McDonough added that the Liberals are trying to deflect attention from the fact that it was Ottawa that drastically cut transfer payments to the provinces. "They think they can run the campaign on the basis of saying, 'If you don't like what's happening, then go to those nasty premiers.' As if [the Liberals] don't have blood on their hands," McDonough said.

TARGET QUEBEC

Liberal ministers struck out into Quebec to try to dissuade voters from casting ballots for the Bloc Québécois, while driving home the point that Quebecers would be better off with an MP in cabinet than with one in opposition. In one community on Montreal's South Shore, Justice Minister Allan Rock met with six senior citizens. "I think just making ourselves available locally is important," Rock said.

DUSTUP OVER DOLLARS

Federal transfer payments are now a hot election issue

BY MARY JANIGAN

On the surface, it hardly sounds like a hot election issue. But to the astonishment of the politicians themselves, the Canada Health and Social Transfer has become one of the pivotal topics of the federal campaign. There, last week, was Ontario Finance Minister Ernie Eves, tabling his 1997-1998 budget—and bolstering his federal Tory counterparts by taking Ottawa to task for its cuts to the CHST. There, one day after his April 27 election call, was Prime Minister Jean Chrétien, proudly depicting himself as the savior of medicare and proclaiming that the Liberals would "strengthen health-care funding" by cancelling their own planned cuts to the transfer. Earmarked for provincial health, welfare and postsecondary education programs, the CHST has become high-stakes political drama—and everyone is edging onto the stage. The Tories and the Reform party have vowed to boost payments for health *and* education. The NDP would add billions to just about everything. And the Bloc Quebecois claims that Quebec has been especially hard hit by federal cuts.

But what does it all mean? For decades, few Canadians paid much attention to the money that Ottawa sends to the provinces for health, education and welfare. After all, the federal government itself does not run those crucial programs, it merely foots part of the bill. That situation suited Ottawa just fine—because provincial governments took the blame for cuts to universities or long waiting lists for bypass surgery. And although most Canadians now make the connection between federal payments and provincial services, the formulas are so complex that only an accountant could love them. "These areas of government are so important that they need to be transparent, they need to be accountable and they need to be simple," declares Queen's University economist Tom Courchene. "We have none of these."

That is a pity—because transfer payments are the very lifeblood of the Canadian federation. Although Ottawa has contributed to provincial social programs since the 1920s, it was only in the mid-1960s that it used its formidable financial resources to fund massive transfers for health care, welfare and education. The provinces used the money to build universities, to strengthen social assistance and to extend medicare. And as they forged the social safety net, which many would have been unable to pay for without matching federal funds, they created a national birthright. Today, transfer payments are at the centre of the *real* debate over national unity. While Ottawa and the provinces may publicly squabble over the ramifications of recognizing Quebec as a distinct society, their private discussions focus on who gets what share of the nation's wealth.

Those talks have become increasingly heated as the federal government tackled its deficits. Ottawa first imposed large-scale limitations on the growth of transfers in 1982—and it has maintained varying limits in every subsequent year. It clamped extra restraints on the richer provinces of Alberta, British Columbia and Ontario in 1990. Last year, it tossed the previous programs together, gave it all a new name—the Canada Health and Social Transfer—cut the overall value and imposed a new distribution formula. The situation has become so complex that federal Liberals are now brazenly attacking Ontario's Conservative government for cutbacks to social services that were prompted, in part, by Ottawa's own reductions in transfers. As federal Trade Minister Art Eggleton recently told *Maclean's*, "In Ontario, the cutback to hospitals is because of the province's decision to do tax cuts."

The numbers have flown like feathers. Estimates of what would have been and what should been can hit tens of billions of dollars. Worse, the transfer itself is a combination of cash, which Ottawa pays directly to the provinces, and so-called tax points, which is money that Ottawa used to collect through its income taxes but which the provinces now collect for themselves when they levy their income taxes. Sometimes politicians talk about the cash. Sometimes they talk about the cash—and extra tax points that Ottawa gave to Quebec in 1967. Sometimes they talk about the total value of the transfer. Sometimes, they talk about money that *would* have come—if Ottawa had not capped the transfer. Sometimes they talk about actual cuts. And even though the transfer is a block grant that the provinces can spend on anything, politicians usually pretend that its only purpose is to support popular medicare.

The confusion is so great that when Ottawa sliced another $1.8 billion from the transfer on April 1, few Canadians were even aware of it. Ottawa likes it that way. "For most people, transfers are just an abstraction," says former Ontario premier Bob Rae. "The real issue is, is there going to be money for my hospital? And the people who make those decisions are at the provincial level. The provinces have ended up carrying the can for this very significant shift in federal spending."

They have also been hard hit. Between the fiscal years 1990-1991 and 1997-1998, the total value of federal transfer payments—tax points and cash—has fallen $1.36 billion, or 5.2 per cent. Because the value of the tax points has gone up, the value of the cash transfer declined even further. It plummeted $3.9 billion—or 23.7 per cent. During that same period, Canada's population has grown by more than 10 per cent. And inflation has taken its toll: it takes $1.13 to exercise the same purchasing power that a dollar wielded in 1990. The brutal truth is that the provinces are serving more people with less money—and each dollar that remains buys less.

In response, the provinces are cutting services. Preliminary estimates from the Canadian Institute for Health Information indicate that health-care spending dropped one-fifth of a percentage point between 1995 and 1996—or $77 million—even though the population grew by about 1.4 per cent and the inflation rate was two per cent. Provincial spending on universities fell an estimated eight per cent between 1995-1996 and 1996-1997. And the federal human resources department estimates that welfare spending declined 4.7 per cent between 1994-1995 and 1995-1996. Since then, every province has made further cuts to welfare rates or services, such as Manitoba's 10-per-cent paring of payments to employable singles and childless couples in May, 1995. "Social assistance has been the hardest hit because there was no political will to support it," says Lynne Toupin, executive director of the National Anti-Poverty Organization. "Provinces have only tinkered with health care because that is sacrosanct."

The view from the start of the decade provides a slightly different picture—largely because welfare payments increased massively in the early 1990s. Those payouts mounted because some provinces, especially Ontario, increased their basic rates—and because the recession threw more people onto welfare rolls. As a result, social assistance spending soared. Although that spending has declined sharply, it means that, between 1990-1991 and 1995-1996, welfare spending went up an estimated 59 per cent—to $13.7 billion.

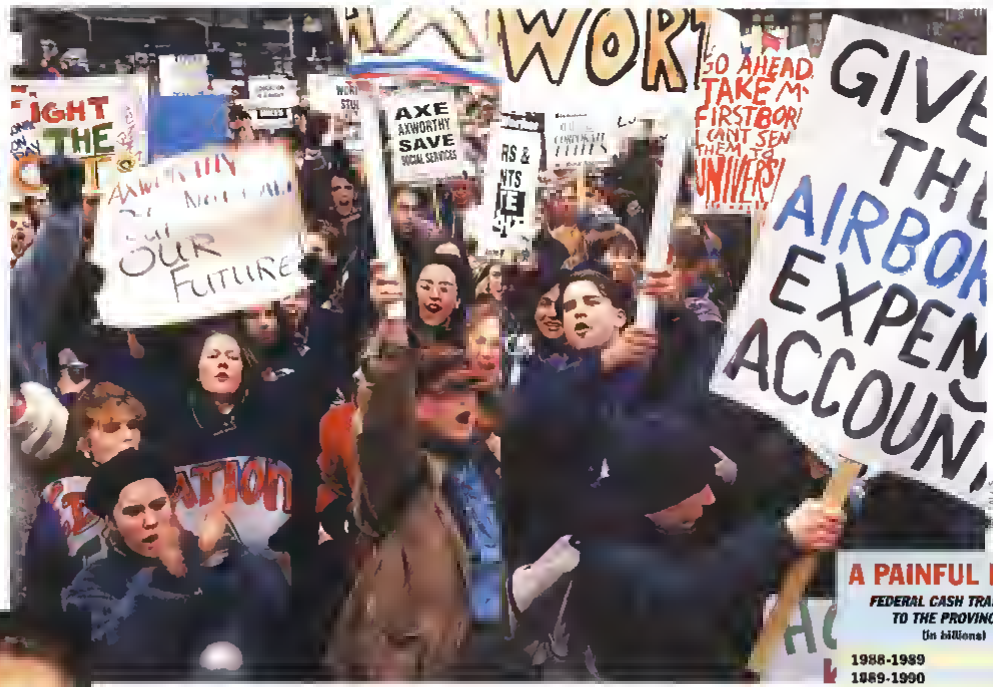
The situation is equally painful in other sectors. Provincial health-care expenditures between 1990 and 1996 were up only 15.4 per cent—when an increase of almost 25 per cent was required to keep pace with population growth and inflation. "The health-care system is stretched to its limits," says Dr. Mary Ellen Jeans, executive director of the Canadian Nurses Association. "The health of Canadians is at risk."

The cutbacks have been more severe in postsecondary education. The Association of Universities and Colleges of Canada estimates that provincial spending on universities actually decreased 17 per cent during that same period. (That figure does not include community colleges.) Tuition fees, meanwhile, are climbing in many provinces as universities scramble for funds. As a result, the association predicts that student debt is likely to triple between 1990 and 1998 from $8,700 to $25,000—which could put the dream of a university education beyond the reach of many lower-income families. "The danger," warns AUCC president Robert Giroux, "is that over the long term, it will just turn a lot of students off and they will not go to university."

Few would question the fact that Ottawa had to pare back transfer payments in order to get its deficit under control. Such large chunks of money—the cash portion alone was $16.4 billion in 1990-1991—simply could not escape the knife. Even today, cash transfers constitute about 10 per cent of federal program spending. There is also little question that Ottawa had to change the formulas: previous ones often ensured that transfers grew generously—and automatically—whenever the provinces decided to spend more money, or whenever the economy and the population grew.

But it can also be argued that the provinces have carried a far greater share of Ottawa's war on the deficit than the federal government itself. Between 1993-1994 (when the Liberals took office) and 1997-1998, the cash that Ottawa actually sends for social programs has fallen 39 per cent. In contrast, Ottawa's spending on its own programs has dwindled by only 13 per cent. (The Liberals did cut more than that—but then spent the savings on other programs.)

How did the system become so complicated? Ottawa first compensated the provinces for a social program in 1927 when it agreed to reimburse 50 per cent of their expenses for old-age assistance. In 1948, it offered matching grants for hospital construction and cancer control. By the mid-1960s, flush with cash and heady with nationalist fervor as the nation geared up for its 100th birthday party, Ottawa gave an open-ended commitment to pick up fixed





Halifax students protesting cuts to education in 1995; Eggleton (left) the lifeblood of the federation

A PAINFUL DROP

FEDERAL CASH TRANSFERS TO THE PROVINCES*
(in billions)

1988-1989	$18.1
1989-1990	$18.8
1990-1991	$16.4
1991-1992	$17.4
1992-1993	$18.4
1993-1994	$18.8
1994-1995	$18.7
1995-1996	$18.2
1996-1997	$14.8
1997-1998	$12.5

*excludes equalization payments. Includes the value of Quebec's extra tax points

SOURCE: FINANCE DEPARTMENT

percentages of each province's social spending tab

Although the formula was changed in 1977 and then adjusted in 1982 transfer payments have remained the mechanism through which Ottawa promoted its vision of a strong, central government. Its control over the cash often thwarted the aspirations of successive Quebec provincial governments for more powers and more tax dollars. "The federal Liberals used the transfer system to try to buy off the Quebec nationalist agenda," argues Simon Fraser University economist John Richards. "There was this high-flowing rhetoric about individual rights and official bilingualism—and there was this low political route of doling out the cash."

The problems began as the money ran dry. Prior to 1996, there were two types of transfers for those social programs—each with its own pitfalls. One was called Established Programs Financing, which paid for health and education. EPF was composed of cash, which Ottawa sent each year, and tax points, that is, Ottawa lowered its corporate and personal income taxes by a total of 14.5 percentage points in 1977—and the provinces filled their coffers by raising their taxes by an equivalent amount. (Since 1967, Quebec has had an extra 8.5 per cent in tax points for health and education, instead of cash.) As its deficits mounted, Ottawa continually clamped new restrictions on the growth of this transfer. Ontario has estimated that the provinces would have received an extra $57 billion, in total, between 1982 and 1995 if such limits had not been imposed.

But, in retrospect, there was one specific limitation that ensured that EPF would eventually vanish: in 1990, the Conservative government decreed that the total EPF transfer could only grow when the population increased. The total amount of the transfer for each person was fixed. As the economy grew, the value of the tax points increased: a one-per-cent tax brings in one dollar when a taxpayer is earning $100; it brings in $1.10 when a taxpayer earns $110. As a result, the amount of cold, hard cash was declining. Eventually it would have dwindled to nothing. And because Quebec had more tax points, its cash transfer would have hit zero first. That would have reduced Ottawa's political clout with Quebec City—and Quebecers—as the province pondered its place in Confederation.

The second transfer was the Canada Assistance Plan—which paid 50 per cent of each province's eligible welfare tab. In 1990, horrified by this ever escalating bill, Ottawa limited the annual growth of CAP payments to five per cent—but only in the three wealthy provinces of Alberta, Ontario and British Columbia. Between 1990 and 1996, because of Ottawa's limit, its increased welfare rates and its burgeoning welfare rolls, Ontario was forced to come up with an extra $8.2 billion—because Ottawa was eventually paying only 28 per cent of its tab. Alberta lost $113 million. (Its losses were small because it quickly restrained its welfare costs.) British Columbia lost $1.8 billion—because in that province Ottawa's share sank to 31 per cent.

Between the prospect that EPF cash transfers, and thus Ottawa's clout, would eventually dwindle to nothing, and the glaring CAP discrepancies, the situation was rapidly deteriorating. In 1996, desperate for a solution, the Liberals tossed CAP and EPF together into a single program, the Canada Health and Social Transfer. They cut $5.7 billion from their cash contribution in two stages between 1995-1996 and 1996-1997. Because the value of the tax points was still growing, the overall value of the transfer dropped only $4.5 billion. But the Liberals were crafty. As the cash transfer dropped and nationalist critics bemoaned Ottawa's diminishing presence in social programs, they tucked a so-called cash floor under the CHST of $11 billion. Then, in this election, they upped that floor, vowing that the cash portion of the transfer will never dip below its current $12.5 billion. Such moves have bemused many experts. As economist Courchene notes, "They made all those cuts, then they installed a cash floor—and then they managed to sell successfully to Canadians the idea that they are saving medicare."

Such tactics took care of the problem of the ever-dwindling cash. But the inequalities in CAP left Ottawa with a serious dilemma: the richer provinces had received far less for each citizen than the poorer provinces. Unwilling to annoy Quebec, and gambling that most taxpayers would never understand, Ottawa decided to divide the 1996-1997 CHST transfer pot in the same proportion per province as it had divided the CAP. As a result, the poorer provinces *still* get more money per citizen than the rich provinces. Ontario, for instance, now receives $797 per citizen to pay for health, welfare and education—while Quebec gets $914.

For the Liberals, the alternatives were unpalatable: taking more money from the poorer provinces, including Quebec, to ensure equality—or throwing billions of extra dollars into the CHST pot to increase transfers to the three wealthier provinces. The inequality has rankled the richer provinces—because they also contribute to equalization payments that allow the poorer provinces to provide similar levels of service at similar levels of taxation. Worse, Ottawa is taking its own sweet time to solve this massive disparity in per capita CHST payments: over the next decade, CHST transfers will be *gradually* adjusted to reflect each province's share of the population.

It is easy to see why voters have usually avoided the tricky topic of transfers. And it is equally easy to see why the issue should become the focus of election rhetoric. The terms may be complicated. But the results of every adjustment in Ottawa's arithmetic can be seen whenever voters look around their local communities. That is not to say that Ottawa is responsible for the closure of every hospital bed, every cut in welfare services, every hike in tuition fees. But when the federal political parties talk transfers in this election, when the Liberals brag about their record, voters should take every figure with the proverbial grain of salt. Politicians should not promise the moon—when they have already dimmed the stars. □

Every province has made cuts to welfare or services



Emergency room at a Toronto hospital: the problems began as the money ran dry

LIFE IN THE FAST LANE. SIMPLIFIED.



When life is a rush, rely on your Nokia. It's the easy way to stay in touch with all the important people in your life.

Your Nokia makes calls, sends e-mail and faxes from your portable computer, works like a pager, and even tells you who's calling before you answer the call.* It keeps track of names and numbers, and calls your voice-mail, emergency 911 and other important numbers at the touch of a single key. Its powerful MENU puts all its features at your fingertips - no physics degree required. And Nokia long-life batteries and rapid chargers make sure your Nokia keeps going as long as you do.

And Nokia packs all this technology into a slim, lightweight phone that slips easily into your pocket or purse. But you won't want to hide it. Because Nokia's award-winning designs are available in a choice of designer colours that let you show off your own sense of style.

So when things get complicated, make keeping in touch simple - with Nokia. Powerful technology that's so easy to use, it's almost child's play.

NOKIA
CONNECTING PEOPLE

*Some features require network support. Not available in all areas.



For more information, please contact Nokia Products Ltd., 575 Westney Rd. S., Ajax, Ont. L1S 4N7
Tel (905) 427-6654 Fax (905) 427-6725 http://www.nokia-americas.com



Sophia Leung in Vancouver with Boudria: hoping for Liberal gains

COVER BUREAU REPORT: *British Columbia*

A DIFFERENT VIEW

BY CHRIS WOOD

Cranky B.C. voters focus on local issues

In the gilded light of late afternoon, the manicured gardens and large, well-kept homes overlooking Bear Creek in suburban Surrey southeast of Vancouver, embody the middle-class dream of the good life. Reform's Gurmant Grewal is doing a little door-to-doorin'. At one house, retired lithographer Stewart Cooper is about to leave for a softball game but stops long enough to catch Grewal's pitch. He says he has supported New Democrats in the past, but is "ready to make a change." He takes Grewal's literature but makes no promises. A few doors down, construction manager Tony Maida says Grewal will probably get his vote. "The Liberals," he says, "still focus too much on Central Canadian issues." A man who has been cleaning his van talks willingly enough but declines to give his name. He tells the candidate he probably won't vote Reform—and views all of his choices in the election with equal distaste. "People have been stung so much," he says. "They're getting fed up."

That cranky mood seemed to afflict many British Columbians as the campaign on the coast snoozed through most of its second week. The Surrey Central riding where Grewal campaigned is one of two that the province has gained as a result of redistribution to reflect its growing population—bringing B.C. representation in the next House of Commons to 34. In 1993, Reform swept 24 of the 32 seats then up for grabs, with the Liberals taking six and the NDP two. Now, both Liberals and New Democrats hope for gains at Reform's expense. For the Tories, who in 1988 elected a dozen B.C. members, a single seat would look very much like a victory.

But even with Jean Chrétien enjoying a 15-point lead over Preston Manning in personal popularity in the province (in polling done before this week's leaders debates), sizeable Liberal gains are far from a sure thing. The governing party, notes University of Victoria political scientist Norman Ruff, suffers from a general perception of "arrogance and losing touch with reality." Ruff adds that the Liberals also score low on "a lot of little issues," ranging from the closure of coastal lighthouses to the ineffectiveness of the Young Offenders Act as a deterrent to crime.

An Angus Reid poll released late last week showed Reform with 41 per-cent support among the province's decided voters, compared with 34 per cent for the Liberals. Liberal support is clustered in a dozen ridings in Vancouver and its nearest suburbs. Most of the rest of the province appears to be staying loyal to the Reformers it sent to Ottawa 3½ years ago. It is on the boundary between Liberal Vancouver and the beginnings of Reform country in the lower Fraser Valley where the race between the front-runners is most in earnest.

ELECTION '97

That is particularly apparent in the new constituency of Surrey Central. Formed from parts of other ridings to the north and south, Surrey Central is home to 112,000 people, more than a quarter of them Indo-Canadian, and the largest concentration of Sikh voters in Western Canada. With those ballots clearly in mind, all three leading parties recruited Sikh candidates: Grewal faces Liberal Palbinder Shergill and New Democrat Charron Gill. So striking was the rush among other parties to sign up Sikh candidates that the president of the local Tory association, Sunil Ahuja, said that his party had nominated 26-year-old Filipino-Canadian nightclub owner Vincent

Can't find time to test drive every new luxury import?



Don't worry, someone else did it for you.

BMW 5 Series
1997 Motor Trend
Import Car of the Year

To find your nearest dealer, telephone 1-800-667-6670. Visit our web site at http://www.bmw.ca

'Motor Trend' proclaimed our BMW 5 Series the 1997 Import Car of the Year. Their journalists test drove all new 1997 imports in search of the finest automobile. "Multiple powertrain possibilities, state-of-the-art mechanicals, brilliant handling, and superb creature comforts," are some reasons 'Motor Trend' selected the BMW 528i and 540i. If you test drive luxury performance sedans, put the BMW 5 Series on your short list.

The Ultimate Driving Experience.

C.M. OLIVER PROUDLY PRESENTS A BRAND-NEW 90 YEAR-OLD COMPANY.

(And its new symbol.)

C.M. OLIVER
Growing Client Wealth Since 1907

The olive tree will never be the world's largest tree, but it is the one most notable for long-term growth. It has been cultivated since the beginning of recorded time.

The olive branch has long been a symbol of people seeking common goals in close harmony. And appropriately within the financial world, the tree never ceases being green.

The name of our founder, Charles M. Oliver, means, simply, "a nurturer of olive trees." For nine decades, we have worked to nurture healthy portfolios in a remarkably parallel way —with expertise, care, warmth, and protection.

The olive tree seems a perfect symbol for Mr. Oliver's company in its modern form.

To help your future grow, start to nurture it now. For further information or a complimentary appointment call us:

1-888-CMO-1907

Antonio, in part so that he would stand out from the rest of the pack.

But in fact, voters in the riding have far more pressing matters on their minds than race. A rash of home invasions in recent weeks has underscored Vancouver's reputation as the country's most crime-ridden big city, and the issue is raised frequently by constituents. They also talk about jobs: despite the prosperity evident in much of the riding, Surrey voters fear for their own employment as well as for their children's prospects. And contrary to at least one survey, which found that barely four per cent of British Columbians considered national unity to be an important election issue, the question comes up often when candidates meet voters on their own turf. Maida, for one, wanted to know what Grewal had to say "about that little bombshell of Parizeau's."

In Surrey Central, at least, Grewal seems to be having some success in dispelling his party's image of intolerance for ethnic minorities and immigration. He confronts the issue head on, pointing to Reform's opposition to distinct society status for Quebec as evidence of a commitment to equality for all Canadians. He also accuses the Liberals of tilting against south Asians by tripling processing fees for immigration applications from $500 to $1,475. "For somebody from Germany or the U.K.," Grewal argues, "$1,500 is approximately 15 days' wages. For somebody coming from India or Pakistan, $1,500 is almost 1½ year's salary. That's discriminatory."

The dynamics of ethnicity and party allegiance are playing out quite differently in British Columbia's other new riding, Vancouver Kingsway—the name was borrowed from a former riding in the area—is populated by both old and new blue-collar Canadians. About 35 per cent of voters are Chinese, and at least four of the names on the ballots will be Chinese as well. Among them is Sophia Leung, one of four Liberal candidates across the country appointed directly by Chrétien in order to ensure that the Liberals field at least 75 women.

RIDINGS TO WATCH

Surrey Central: Well-known Reformer Gurmant Grewal battles both his party's anti-immigration image and Liberal newcomer Palbinder Shergill.

Vancouver Kingsway: This riding features a fight between Liberal society matron Sophia Leung and high-profile activist Victor Wong, who is backed by Premier Glen Clark's local New Democratic Party organization.

North Vancouver: The race between incumbent Reform MP Ted White and Liberal rival Warren Kinsella, a Chrétien adviser, has intensified with White's May 5 claim that Kinsella defamed him by linking him in print to white supremacists.

Vancouver East: NDP candidate Libby Davies, a former city councillor, must win against Liberal incumbent Anna Terrana and Reform's Keith Mitchell if the New Democrats are to begin rebuilding in British Columbia.

Esquimalt/Juan de Fuca: The Victoria-area riding once held by former NDP premier Dave Barrett features the New Democrats targeting moderate Reform incumbent Dr. Keith Martin. Chris Main, a public policy consultant, is carrying the NDP banner.

Chinese-born, Leung is a former social worker fluent in Mandarin who entered the campaign with other advantages as well. For one thing, the redistribution of polling districts gives the Liberal candidate a 17 point lead over her competitors, based on voters who cast ballots for her party in 1993. Reinforcing that edge is the backing of the Liberal election machine. Last week, Minister of International Co-operation Don Boudria campaigned at Leung's side, as did one of half a dozen young Liberal cabinet aides and advisers on leave from taxpayer-paid posts in Ottawa.

But Leung, who lives in considerably more upscale Quadra, is not a particularly obvious match for the riding into which she has been parachuted. The widow of the former head of dentistry at the University of British Columbia is a veteran of such upper-crust organizations as the Vancouver Opera Society and the Vancouver Art Gallery. Last week, she seemed out of place as she campaigned along the working-class Kingsway, a thoroughfare lined with small ethnic groceries and mom-and-pop storefront businesses. The presence on the ballot of two former rivals for the Liberal nomination—one of whom, Raymond Leung, shares her last name and is running for Reform—may also dilute Leung's support among Chinese-speaking voters.

If that happens, the riding could go to New Democrat Victor Wong. Although unable to speak more than a few words of Chinese, Wong has made a name for himself by campaigning against anti-Asian racism. He has the support of an NDP riding organization that is kept in good tune by the area's provincial representative, NDP Premier Glen Clark. Reform's Leung, meanwhile, is given little chance in Vancouver Kingsway. Despite Preston Manning's stroll through Vancouver's Chinatown early in the campaign, leading Chinese-language TV reporter Winnie Hwo says the party continues to evoke distrust among Chinese voters. "This is still a party," says Hwo, "that doesn't like immigrants, especially Asian immigrants."

With no single, galvanizing issue emerging by the end of last week in B.C., analysts predicted little dramatic change overall from the 1993 election outcome. Reform, said Ruff, seemed well placed to retain as many as 20 of its seats, with the Liberals likely to win about 10. For New Democrats, however, a return to the glory days of 1988, when the province sent 19 NDP MPs to Ottawa, seems highly unlikely. "Not in this election, not in B.C.," concluded Simon Fraser University political scientist Lynda Erickson.

The one issue that might change those projections is national unity. Campaigning on Vancouver Island late last week, Reform Leader Manning moved to capitalize on the Parizeau controversy. Claiming to speak "on behalf of all Canadians" to Chrétien, Manning said: "We do not believe you have either the will or the capacity to lead on this issue." But ironically, Victoria's Ruff suggests that the Bloc Québécois's embarrassment over the Parizeau affair might in fact work against Manning's party. The more those disclosures damage the Bloc, Ruff argues, the less the motivation for B.C. voters to cast strategic ballots for Reform in order to deny the BQ official Opposition status. Not for the first time, British Columbians' studied detachment from affairs east of the mountains may be more apparent than real. □

Grewal campaigning door-to-door, opposing distinct society status



SEARCHING FOR AN OPPOSITION

BY PATRICIA CHISHOLM

Whether they occupy the right, left or centre of the political spectrum, Canadians still seem to agree on a few things. According to *Maclean's* weekly survey of at least 10 undecided voters in each of five ridings across the country, a majority in English Canada are angry that the sovereigntist Bloc Québécois serves as Her Majesty's Loyal Opposition. A party committed to the breakup of the country, they say, should not be given that status. There was no strong consensus on the best alternative, but NDP Leader Alexa McDonough was ranked highly by many panelists, who say that more balance is needed in Parliament.

On another issue, however, there is virtual unanimity: when it comes to fighting crime, Ottawa needs to do more. And while a minority believes that Canada's new gun control laws are too restrictive, most say the issue should not be central in the campaign. Instead, they want to hear more from all parties about strategies for dealing with young offenders, sentencing, and violent crimes like armed robbery and murder. So far, most of the panelists have made little progress on the question of whom to vote for: a few, though, are now sure of who they will not support—the Liberals.

HALIFAX In a race that appears to be more and more about personalities, Alexa McDonough is enjoying an edge. Almost every panelist in this riding decried the BQ's position as the official Opposition and—even though the community has never sent a New Democrat to Ottawa—a significant number said that McDonough would be their first choice for Opposition leader. The native Haligonian has "been around a lot longer than the other leaders," noted **Doreen Itwaru**, a hospital manager. Preston Manning is the 50-year-old's second choice, although she gives the Reform leader little credit when it comes to his knowledge of politics. "And I wouldn't know [Tory Leader Jean] Charest if I saw him on the streets," she says.

Many panelists also agreed on gun control, with a strong majority supporting the government's tougher legislation. Most said the issue should not be central in the campaign—better to spend more time discussing crime prevention. "It seems like the only ones being protected are the hookers and drug dealers," said draftsman **Dawn Sloane**, 29, who started a local Neighborhood Watch program. "I think a strong position on crime would be a significant part of whom I vote for."

Commentator **Stephen Kimber, dean of journalism at King's College**, notes that "McDonough is winning the battle of the lawn signs. She is really feisty—she has spirit that seems to be missing from the other parties." And the general rejection of the Bloc as an Opposition party is understandable, he adds. "There is frustration with the Quebec issue. People feel there are other problems that are being marginalized because the Bloc is only interested in one thing."

BROSSARD/LA PRAIRIE In this suburban riding south of Montreal, most voters favor the Bloc as an Opposition party. But that support is based as much on it keeping Quebec front and centre in national politics as on its separatist policies. "It's important that Quebec be allowed to speak for itself at this point," says insurance broker **Benoît Bourbeau**, "and Quebec can only do it if it's the official Opposition." As an alternative, Bourbeau, 36, supports Reform. "What's his name—Preston Manning—he's direct."

Crime, Bourbeau says, concerns him "enormously." He adds that "criminals are better organized today than they ever were before. Think about the Hells Angels—it's become a real transnational corporation." **Paulette Giddings**, a social worker at the Montreal General Hospital, is also concerned about crime and believes Ottawa must take a bigger role in preventing it by helping youth. "Maybe the government should start setting up programs for these young people in their high-school years, give them a better sense of self-respect," suggests Giddings, 49.

English-Canadians reject the Bloc and worry about crime

Longtime **national affairs journalist Ron Lebel**, a *Maclean's* panel expert, says that a recent poll showed the Liberals and the Bloc neck and neck in Quebec. "But that was before the Parizeau bomb," he notes. "Even [Bloc Leader Gilles] Duceppe has admitted that this will hurt his support." And, he adds, "Bloc supporters seem to think that having a Quebec nationalist party in Ottawa puts pressure on the rest of Canada to make constitutional changes. Most think in terms of two nations with close economic links. They are not militant separatists—they don't want a sudden confrontation with the rest of Canada."

ST. PAUL'S In this central Toronto riding, which usually votes with the national trend, the contest is between Liberal candidate Carolyn Bennett, a well-known physician, and Tory Peter Atkins, a firefighter and son of Senator Norm Atkins. A majority of the panelists said that, when it comes to the legitimacy of the Bloc as the Opposition, a vote is a vote. **Alison Meek**, a 30-year-old graduate student, echoed such views when she said: "If they have the second-most seats, then of course they should continue—we may not like them, but this is a democracy." As for campaign issues, virtually none of the panelists was concerned about gun control.



Sloane: 'a strong position on crime would be a significant part of whom I vote for'

And although they live in the heart of the country's largest city, most St. Paul's panelists did not call for a tougher stance on crime. "I don't want to see Toronto turn into the New York of the north, but I'm not sure if it's as bad as it looks," says **Deborah Suff**, who is self-employed and in her 30s. Currently, she is leaning toward the Liberal's Bennett who, she says, seems like a "people person."

In fact, Bennett is a strong candidate, says commentator **Robert Bothwell, professor of history at the University of Toronto**, and to the extent personalities are a factor in the race, she is a "real plus" for the Liberals. Nor is he surprised by the local take on the Bloc as the official Opposition. "What's the alternative?" he asks. "If Quebecers' votes are denied, why should they participate in our political system? People who disagree are playing with fire. If there are substantially different rules for one group, we've negated one of Canada's strongest hallmarks—that everyone is treated equally."

CALGARY WEST In a riding that supported Reform by a wide margin in the last election, a different trend now appears to be emerging. While it is not surprising that many panelists reject the Bloc as a viable Opposition for the whole country, a popular alternative is unexpected. McDonough. "I think Chretien and Charest are riding the same bike, even though they don't seem to know it," says homemaker **Barbara Watts**, 44. In fact, she has little faith in any of the parties when it comes to dealing with big issues like crime. But **Bob Becker**, like a few other panelists in this riding, supports Charest as the best Opposition leader. "I think he would argue the national unity issue better than Preston Manning or Alexa," says the engineer, who is in his 60s. "Unity is the really important issue."

That growing preoccupation is somewhat unexpected, notes commentator **Keith Archer, professor of political science at the University of Calgary**, but Parizeau has pushed the matter to centre stage. "It's a difficult situation," Archer notes. "On the one hand, there is a strong reservoir of affection for Quebec. But there is also impatience and a sense of powerlessness." As for McDonough's personal popularity, Archer notes that it is unlikely to translate into seats for the NDP. Instead, the fight will be between the Liberals and Reform, with Chretien's party already enjoying widespread support for its fiscal policies. "I wouldn't be at all surprised to see the Liberals doing pretty well here," Archer concludes.

PORT MOODY/COQUITLAM Voters in this Vancouver-area riding, a former NDP stronghold, are solidly opposed to the Bloc as the Opposition. They are deeply divided, however, over the best alternative, with about half choosing Manning and half partial to McDonough. BC Tel installer **Bruce Shott** believes Manning would be a good Opposition leader, "although he doesn't have the spit and polish to be prime minister." Shott, 48, agrees with Reform's plan to repeal Canada's new gun control legislation. "I am a firearm owner and I resent the RCMP breathing down my neck," he says. He is equally adamant about crime. The Young Offenders Act is too lenient, he says, especially since crimes by the young appear to be more serious than in the past.

At the other end of the spectrum are voters like **Ida Rollings**, who works in sales. The NDP's McDonough, the 19-year-old says, would be a good choice for Opposition leader because of her party's national focus. And while she supports gun control, Rollings is also concerned about crime, especially youth crime. "I know a lot of people, people I attended school with, who have committed crimes and got off easy," she observes. "It is a problem that we at the community level cannot stop. We need direction from a higher level."

According to commentator **Michael Howlett, professor of political science at Simon Fraser University**, most B.C. voters are more concerned about local issues than with the federal campaign. The Liberals, he points out, have done a good job of taking the sting out of regional irritants, such as the recent agreement with the province over fisheries. Their battle with the deficit has also deflated some of Reform's support. "But crime has a pretty high profile," Howlett says, pointing to a recent series of home invasions as a matter of deep concern. Parizeau's revelations, on the other hand, have generated little excitement. "Most people here assumed that sort of thing was going on anyway," Howlett says. "This just reinforces their views." □

The Maclean's panel responses are compiled with the participation of experts and students at five universities. In Halifax, Stephen Kimber, dean of journalism at King's College, is assisted by Erin Pamela Greeno and Jaime Kathleen Little. Lindsay Crysler, director of journalism at Concordia University, and national affairs journalist Ron Lebel are supervising Jean-François Begin and David Gambrill in Montreal. University of Toronto history professor Robert Bothwell is assisted by Kathleen Rasmussen and Ann Flanagan. At the University of Calgary, political science professor Keith Archer is overseeing the work of Carey Anne Hill and Mebs Kanji. At Simon Fraser University in Burnaby, B.C., Michael Howlett, professor of political science, and John Richards, professor of business, are assisted by Russell LaPointe and Colleen Wetherall.

COVER

POISED FOR POISON

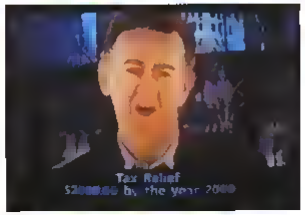
The parties arm themselves with negative ads

It was a case study of how not to run a television ad campaign in Canada. In October, 1993, during the dying days of their bid to stay in power, the federal Conservatives launched a 30-second TV spot that showed unflattering photographs of Liberal Leader Jean Chrétien. The images emphasized his contorted mouth, the result of a birth defect, while the ad asked, "Is this a prime minister?" Amid howls of protest from politicians and the public, the ad became one of the last nails in the coffin of an already disastrous Tory campaign that reduced the Conservatives to two seats. If political strategists are to be believed, it is the type of gaffe that no party is going to make this time around—probably. "I don't think anybody starts off saying, 'We've got to get into negative ads,' " says David McLaughlin, communications director for the Tory campaign. "Every campaign has its own particular dynamic."

In this campaign so far, the TV ads have by and large been well mannered. But that dynamic may change. Canadian political parties pump millions of dollars into television ads—the single largest payout in campaigning these days, typically swallowing up more than half of total expenditures. It can be money well spent: ads represent the parties' best hope of showing candidates as they want to be seen. But television can be a double-edged political sword. Concentrate too much on "character"—on one candidate as vital, earnest and capable, and the others as, well, *not*—and risk appearing superficial or nasty. Concentrate too much on issues, and risk putting voters to sleep. As one Liberal strategist put it, "It's a very, very fine line."







Selling the message: well-mannered fare that could change as the electoral race heats up

It is a particularly touchy situation for the Liberals who as of last week had two ads on air in English Canada, both featuring a relaxed and forthright Chrétien speaking directly to the viewer about health care and the economy. The ads only indirectly take aim at Reform and the Tories, and they are far from negative. One reason, Liberal insiders say, is that any blunt attacks on Chrétien's opponents may seem like bullying. Strategists are eager to portray the Prime Minister as a man of the people—the focus of one upcoming ad—to counter his poor performance during last winter's CBC town-hall meeting, where he appeared uncaring and ill informed. "Chrétien has to show compassion," says one senior Liberal.

By contrast, more negative ads are likely to come not from Chrétien, but from his ministers. A case in point: one soon to-be-released ad features Finance Minister Paul Martin defending the Liberal economic record and aggressively rebutting the opposition's financial platforms. The Liberals have already produced other negative ads, but sources say they will not be released unless Chrétien's lead appears to be slipping. One possible spot, still in planning, would attack Reform in British Columbia if that party continues to be strong in the province.

The Liberals' most aggressive adversary in the TV ad wars has been Reform, which has already produced 12 ads. Alone among the English parties, Reform has addressed the issue of national unity on TV. Their constitutional ads, now aired nationally, were initially released only in British Columbia, where strategists thought a pitch attacking distinct society status for Quebec would be most effective. Reform was set last week to release more ads on the economy, on crime and on the Liberal record of broken promises. And the party is testing, but has not yet produced, a negative character ad—one that would target Chrétien by using still photographs from the CBC town-hall meeting.

Other parties' ads range from the fluffy to the biting. Among the Bloc Quebecois's two TV spots is one that consists mainly of images of rural vistas and Quebecers dancing in the streets. The NDP has produced three campaign ads, among them a scathing invective, entitled "Snores," that depicts the government asleep in the House of Commons and asks voters to "wake up the Liberals" by voting NDP. The third ad, to be released in the next two weeks, is a direct assault on the Grits' Red Book, claiming that when people voted Liberal in 1993 they did not vote for cutbacks.

The Conservative ads have avoided personal attacks. Strategists are banking instead on the popularity of Jean Charest to lead the party back from the brink of political extinction. Three weeks before the April 27 election call, the Tories began airing two ads featuring the 38-year-old leader offering his platform on CD-ROM, a high-tech gimmick in keeping with the Tory slogan, "Let the future begin." The ads tested so well, says McLaughlin, that they have continued to run. Two later ads have centred on issues, an upcoming spot focuses on the Tory economic platform. But another remains firmly centred on the leader—Charest as family man. It has aired in Quebec and is set to run in English Canada.

So, will the TV political battle turn nasty, as it did in 1993? McLaughlin says that negative TV ads "never entered the dial" for the Tories. "There is a political culture in Canada in terms of acceptability," he adds. "Every party has to be sensitive to putting on negative stuff. It's not just us." Still, if the campaign heats up, it may soon be a question of when—and by whom—the line of acceptability will be crossed.

JOE CHIDLEY *with* MARY JANIGAN *and* TOM FENNELL *in Toronto and* BRENDA BRANSWELL *in Montreal*



Gray surveying his home: 'this was our whole life'

Mopping up

Manitobans face the hard part as the flood recedes

Chest-deep in water, dragging a canoe behind him, Bernie Gray finally made it home. But everywhere he looked last week, the 63-year-old, semi-retired Winnipeg businessman found nothing but devastation. All 15 hectares of his horse farm in Grande Pointe, just southeast of the city, that he had to abandon on April 26 lay immersed in viscous muck and murky water. It washed through the handsome bungalow he shared with his wife, Lucy, swirled around a guesthouse and two barns, rolled over six paddocks, and completely submerged four miles of white picket fence, carefully erected and lovingly painted as a gift to their parents by the Gray's seven grown children. "My wife and I, this was our whole life, our retirement home," Bernie whispered, fighting back tears as he waded through floating furniture in what was once his living room. "How do you put a price on something like that? You tell me."

The hard part is now beginning for the Grays, just as it is for the 28,000 other Manitobans who fell victim to the latest demonstration of the Red River's power and caprice. As the swollen waters of the worst flood of the century slowly ebb along the the snake-like course of the Red's 150-km run from the U.S. border to Lake Winnipeg, some of those forced to flee are starting to go home. A lucky few are finding intact dikes, dry basements and manageable—if sodden—farmsteads. Most, however, are returning to discover scenes of woe. Some, especially Bernie Gray's neighbors in flooded Grande Pointe, are angry, lashing out at what they claim is government ineptitude. But no matter what their situation, everyone in Manitoba is bleakly aware they now face a truly monumental task of cleaning up the mess the flood is leaving in its wake.

There is, as yet, no accurate estimate of the total costs. But three people died, several more suffered serious injury. Cpl. François Guay of the 1st Combat Engineers Regiment lost his left hand when he touched a submerged power cable while helping to evacuate residents from Emerson, hard by the U.S. border. "I had some bad luck,' said the 26-year-old Quebec-born, Edmonton-based soldier, a veteran of 30 months' duty in Croatia as a UN peacekeeper.

On the material side, the bills, too, are starting to arrive. Manitoba officials estimate that 800 properties in the Red River Valley have suffered flood damage, including 30 homes in Winnipeg, another 100 in the Grande Pointe area, just beyond the city's southeastern perimeter, and over 100 more further south in the town of Ste. Agathe. In the rural municipality of Ritchot alone, where Grande Pointe and Ste. Agathe are located, insurance companies expect flood damage to reach $50 million.

The Red has inundated five per cent of Manitoba's farmland—some 200,000 hectares. Most of that is grainland, but more than 150 hog producers and at least 16 dairy farms are also affected. Key-

stone Agricultural Producers, the province's main farm group, claims it will take $40 million to replace flooded hog barns. For dairy farmers who lost milk production, there is no compensation. As for the outlook on the grainlands, much will depend on how fast the farmers can get back onto their fields. "Last year, we had a bad flood but they still managed to get their crops in by June 10, and they got a good harvest," said Dave Champion, product manager of export grains for the Pioneer Grain Company. "This year, I suspect they'll plant early-maturing grains, but still, they'll need to be able to get their machinery onto the land by June 15."

Like southern Manitoba's human inhabitants, the province's flora and fauna have felt the Red's ravages. The heavily wooded river course is a ribbon of habitat surrounded by bald prairie, and animals had nowhere to go as the water rose. "They're not accustomed to coping with floodwater so they find a high piece of ground along a road or someplace, and then soon enough they're surrounded by water," said environmentalist Ken Cudmore of the province's Fort Whyte Nature Centre. "Deer, rabbits, chipmunks, foxes—they will all be wiped out by a lake 40 km wide. It will take years for them to migrate back into the valley and repopulate." With even the earthworms eradicated by the floodwaters, Cudmore predicted that 1997 will turn out to be "a lost year not only for farmers, but for many plants and animals."

In partial confirmation of that dire forecast, St. Boniface General Hospital nurse Therese Brown reported travelling to Ste. Agathe to help relatives in the stricken town pack up. "These beautiful deer were feeding in the field," she recalled. "The next day, I went back and my son pointed and said, 'Santa's reindeer are in the water.' I looked and it was so sad. About 10 of them were floating in the field, drowned."

While it will take some time before wildlife returns to the Red River Valley, that is not likely to be the case for the human residents. Late last week, in pelting rain and driving wind, an early morning convoy of some 2,000 residents of the Winnipeg suburb of St. Norbert lined up at a police checkpoint, awaiting permission to return to the homes they had been forced to leave as a precautionary measure on April 29. Most were undamaged as the dikes kept the suburb dry. "We're so glad [to be going home] we couldn't sleep," said Tom Keir as he waited in his vehicle. They were among the first wave of the province's flood evacuees to head back home. But with the river still surging through and around Winnipeg just five feet below its May 1 crest of 25 ½ feet, most still faced a considerable delay before they could get back to survey the damage. By week's end, Manitoba officials estimated that, of the original 28,000 evacuated, approximately 19,500 rural residents and 6,000 Winnipeggers were still awaiting permission to return home.

As they waited, donations of food and supplies poured in from across the country. Nowhere was the evidence stronger than in a Salvation Army warehouse in Winnipeg's north end. Late last week, the building buzzed with activity—forklifts charging back and forth, dry goods stacked ceiling high on pallets, bins full of clothes, canned food, shoes, mattresses. "There has never been an event like this in the history of the Salvation Army in Winnipeg," said Steve Richard, executive director of recycling for the charity, as he stood inside the beehive. "About 50 tonnes of supplies are coming in daily from across the country and we have hundreds of volunteers working to organize it—off-duty policemen, firemen, schoolkids, soldiers, you name it. In fact, we're so overwhelmed with emergency supplies that I'd have to say it's time to stop right now."



TOM THOMPSON FOR MACLEAN'S

Filmon: 'we have to ask, where does personal responsibility come in?'



PAUL SINGLAIR/MACLEAN'S

Furniture on a roof in Ritchot, Richard in the Salvation Army warehouse (right): 'overwhelmed'

More than material assistance, what most of Manitoba's flood victims require is cash. Many are eligible to receive up to $100,000 in governmental assistance to repair flood-damaged homes and properties under a program funded up to 90 per cent by Ottawa. For some, however, that is far from adequate. More than 500 homeowners from Ste. Agathe and Grande Pointe,



TOM THOMPSON FOR MACLEAN'S

THE DONATION FLOOD

To most Canadians, the flood in southern Manitoba is all about water, a muddy brown lake covering 2,000 square kilometres that forced more than 27,000 people from their homes. But last week, Salvation Army officers and volunteers in Winnipeg confronted another inundation—a deluge of blankets, sleeping bags, clothing, bottled water, cleaning products and other flood relief material that poured into the Manitoba capital from the rest of Canada. With a 9,000-square-metre warehouse already filled with material that has not even been sorted, Salvation Army spokeswoman Anne Bennett asked the public to stop sending donations. "It's overwhelming," said Bennett, as transport trucks kept rolling in from from east and west. "It's like trying to stop a train with no brakes."

Canadians were also reaching for their wallets. In the first two weeks of its Manitoba flood relief campaign, the Ottawa-based Canadian Red Cross Society has collected $4.4 million towards its $10-million target. That includes $1.3 million raised by the CBC's Red River Rally, an appeal broadcast on radio's *Morningside* and TV's *Midday* on May 2. More than 16,000 listeners and viewers responded. "Astonishing, isn't it?" said *Morningside* executive producer Gloria Bishop.

Organizers of other campaigns were equally flabbergasted by the response. When a Toronto community organization called Project Warmth announced a flood relief effort on April 30, firefighters and police officers within a 100-km radius pitched in to collect material. By last week, the Rotarians had sent 14 transport trucks to Winnipeg. When relief organizers there called for a halt, the Toronto collectors still had enough goods on hand to fill another six trucks. "We never expected anything like this," said spokesman John Andras. "We've sent over half a million pounds of stuff from southern Ontario."

In Edmonton and neighboring communities, students, churchgoers, senior citizens, retailers and others collected at least 90,000 kg of goods, and a charitable organization called the Edmonton Emergency Relief Services Society loaded them onto trucks. "We've already sent four or five semi-trailers," said Carol Smith, a society director, "and we still have enough stuff to fill two more."

As for the cash donations, the Red Cross has established a 14-member committee—federal, provincial and municipal officials, clerics, native representatives and others—to determine who is to get handouts. If the organization's most recent experience with flood relief is any indicator, there will be no shortage of needy recipients. The Red Cross raised $28.4 million for victims of last summer's devastating floods in Quebec's Saguenay region—and most of that money has been distributed.

D'ARCY JENISH

JUST DOING WHAT HAS TO BE DONE

An old man, dirty and tired-looking, steps from his pickup truck and approaches a line of people heaving sandbags. He has obviously just left another sandbagging site, but he finds himself a place in line and joins in. Asked whose house he is trying to protect now, he pauses briefly to reply, "I don't know," before turning back to his work, discouraging further questions. No one else on the line knows either. Winnipeg has been that kind of town for the past two weeks.

As the flood slowly recedes, Manitobans are shaking their heads at how eagerly friends and strangers alike waded in to get the job done. When the dike behind City Councillor Allan Golden's house sprang a leak at 8 o'clock one morning, someone called a radio station, which spread the news. Within 10 minutes, "I had approximately 200 people in my yard," he says, "most of them I'd never seen before. They worked until 1 in the afternoon, when the dike was fixed, and then they left before I had a chance to thank them."

As more than 300 media teams converged on the big story, many Winnipeggers found the best TV coverage on an all-volunteer community-access channel, Cable 11. About 170 extra people signed up to help provide programming around the clock for 16 days—everything from the mayor's news conferences and live reports from flooded areas to lessons in how to fill sandbags. One scoop dropped into Cable 11's lap when flight attendant Louise Barrette on Air Canada's Winnipeg-Chicago run called to say she could locate some hard-to-come-by backup valves. Winnipeg stores had sold out of the devices that prevent sewage water from flooding up through the basement drain. Barrette brought back 300 from Chicago—where Home Depot sales clerk Ed Bodnar had paid for them with his own charge card. "We ran a feature, and sold them all at cost in one day," says aspiring film-maker Norm Richards, who put in 18-hour days as a volunteer producer. Barrette will get the money to Bodnar. It is that kind of flood.

JAKE MacDONALD

Maclean's Internet DIRECTORY

Atlantic Canada Careers
http://www.atl-can-careers.com
Tel: (902) 425-0555
An innovative career networking service that provides job seekers access to employment opportunities with progressive organizations in Atlantic Canada. Great for Maritimers looking for the right opportunity to "come home" to. Now in both official languages

Algonquin College Distance Education
http://www.algonquinc.on.ca/distance/distance.html
e-mail: distance@algonquinc.on.ca
Tel: 1-800-564-4444
Train for a career in the comfort of your home. Request your free information package today

Baxter's EduNET
http://www.baxter.net/edunet
e-mail: edunet@baxter.net
A comprehensive Canadian on-line educational site.

Baxter's Travel Universe
http://www.baxter.net/universe
e-mail: holidays@baxter.net
From the publishers of CANADIAN TRAVEL PRESS. A comprehensive travel-oriented on-line source. Searchable database of travel agencies, destinations and best buys. On line hotel chains, tour operators and airlines

Citizens Bank of Canada
www.citizensbank.ca
Tel: 1-888-708-6323
A new Canadian bank with a very different approach to banking. We're the nation's first truly branchless bank, accessible via phone, fax, computer and ATM. And no branches means better rates. Visit our site and compare.

Confederation College - Education That Works! Thunder Bay, Ont.
http://www.confederationc.on.ca
Tel: (807) 475-6110
A proven leader in Aboriginal Studies, Applied Arts, Aviation Apprentice Programs, Business, Distance Education, Health Sciences, International Trade and Training opportunities, Small Business Development, Technology and Trades

401 CARFINDER©Cars4Sale2Buy©
http://www.401carfinder.com
email-info@401carfinder.com
Tel. (613) 382-7186
Connecting dealerships with customers. Anyone can try the service by listing a vehicle FREE! 401 CARFINDER©. *Make it easy — Make it Happen!* Custom solutions for your dealership.

Sheridan College Full- and Part-time Studies
http://www.sheridanc.on.ca
infosheridan@sheridanc.on.ca
(905) 842-INFO (4636)
Invest in Yourself! Explore learning opportunities and request your free full- or part-time course calendar with hundreds of courses to choose from

Winnipeg Art Gallery
http://www.wag.mb.ca
Tel: (204) 786-6641
Challenge your visual senses. Discover cutting-edge artists. Everything that's happening at the WAG is here — exhibitions past, present and future; tours, lectures, concerts, full screen images of works of art

For more information please call:
(416) 596-5311



JOE BRYKSA/W NIPEG FREE PRESS

Soldiers fortify a dike at St. Jean Baptiste, south of Winnipeg; evacuees not allowed back

complaining of inaccurate water level predictions and bungled assistance, hurled insults and invective during a meeting with provincial and municipal officials last week. Residents of the two communities, hardest hit of all Manitoba towns, demanded government at all levels underwrite the full cost of rebuilding their homes. And they heard encouraging words from Liberal MP David Iftody, whose Provencher riding includes both towns. "Grande Pointe died to save the city [of Winnipeg]," said Iftody, placing the blame for the flooding in Grande Pointe on the floodway and the Brunkild dike that protected the capital. "I'm saying that this is a time for a little compassion. You've got young couples with $200,000 mortgages."

In an interview with *Maclean's*, Manitoba Premier Gary Filmon did not entirely rule out exceptions to the $100,000 limit, which includes a $20,000-deductible provision. But at the same time, he cautioned: "We can't go from one emergency to another, making up policy on an ad hoc basis. Whatever terms we settle upon have to be applicable to all circumstances." Filmon also made it clear that he considers the plan reasonable, "given that the average home in Manitoba is worth somewhat less than $100,000." At an earlier news conference, the premier voiced doubts about the wisdom of granting generous compensation to people who persist in living on what amounts to a flood plain. "At some point," he said, "we have to ask, 'Where does personal responsibility come in, locating your home next to a river that floods frequently?'"

Jane Gray, vice-president of a clothing sales agency living in Winnipeg's River Heights district, was one of few Winnipeggers willing to go on the record with similar sentiments. "I sympathize with the people in Grande Pointe," she said, "but I really think that there's a risk in building too close to the river. The point is, there are costs to living outside the city, and the lack of protection is one of those costs."

Arguments like that offered small comfort to Bernie Gray as he inspected his submerged Grande Pointe horse farm. Gray said he had asked provincial authorities dozens of times in recent weeks about the dangers his property faced. Each time, he was reassured that his land, which sits far from any of the region's rivers and streams, was not threatened. Just to be safe, he was advised to build a three-foot high dike. But he never suspected any serious problem, he said, until two Manitoba Hydro employees showed up as the flood crest was creeping slowly northward. "They wanted to move the hydro meter another three feet higher on the pole and it already was fixed five feet above ground level," Gray recalled. "I thought they were nuts when they told me that was the level of the flood that was expected." When the flood waters reached five feet, Gray no longer questioned the wisdom of moving the meter. "If those Hydro guys knew the water was going to be that high," says Gray, "why didn't the government?"

More than 24,000 are still kept from their homes

BARRY CAME *with*
JAKE MacDONALD in Winnipeg

Canada NOTES

THE OLSON DOCUMENTS

Federal government lawyers have asked the B.C. Supreme Court to prohibit reporters from publishing documents that serial killer Clifford Olson has submitted to the court in his quest for early parole. Revealing the documents' contents would focus "inappropriate media attention" on Olson, who has a "narcissistic-personality disorder," the lawyers argue. Olson, due in court in August, killed 11 children in the Vancouver area between 1980 and 1981.

ACADIAN TRUCE

Parents in the New Brunswick communities of Saint-Sauveur and Saint-Simon agreed not to set any more burning roadblocks to protest the closing of two Acadian schools. Recently, the communities were the site of four consecutive nights of rioting. Premier Frank McKenna, meanwhile, vowed not to yield to violence, saying the half-empty schools must close.

SOON TO BE DEPORTED

The Federal Court of Canada upheld a special ministerial certificate that designates Hani Abdel Rahim Al Sayegh as a threat to security. Sayegh allegedly took part in a bombing in Saudi Arabia last year, which killed 19 U.S. airmen and injured 384 people. Sayegh's deportation to either the United States or Saudi Arabia is now a foregone conclusion.

DNA GETS ITS MAN

An Ontario Court jury found William Brett Henson, 37, guilty of the 1982 rape and murder of Jennifer Isford, 19. Henson was arrested two years ago, after DNA extracted from saliva on Henson's discarded cigarette matched the genetic code of semen found on Isford. At the time, the Toronto Argonaut cheerleader's death sent a shock wave through the city.

SUING FOR ACCESS

In what could be a precedent-setting case, Dr. King Tak Lee of Toronto launched a civil suit in Calgary seeking access to Nigel, 4, his biological son. In 1992, Lee acted as a sperm donor for Nigel's mother, Caroline Johnson Steeves of Calgary. Steeves, who has said she had a platonic friendship with Lee, argues that he agreed not to be involved in raising the child.



Eves (left), with Premier Mike Harris, raising a toast to tax cuts

A good-news budget

With the popularity of Ontario's Conservatives sagging—down seven per cent since February to 35 per cent of decided voters—the government needed a lift. So it was that last week Finance Minister Ernie Eves unveiled a good-news budget, announcing cuts to personal income tax, stable spending for health care, and incentives for small businesses. Eves emphasized that the government wants to put money back in consumers' pockets instead of tackling the provincial deficit more aggressively. "It's the people's money," Eves said. "They earn it. We're just permitting them to keep a little more of it."

The forecast deficit for the current fiscal year is $6.6 billion, down from $7.5 billion last year. (Eves is predicting a balanced budget for the 2000-2001 fiscal year). Total revenue forecast for this year is $48.4 billion. The personal income tax cuts will be implemented in two stages, on July 1 and next Jan. 1, and will reduce the provincial income tax rate to 45 per cent of an individual's basic federal tax—down from 58 per cent in January, 1996. That would give Ontario the lowest provincial income tax rate in Canada. Eves also earmarked $2.7 billion over five years for restructuring in the provincial health-care system. And he also reiterated the Conservatives' 1995 campaign pledge to create 725,000 new jobs over five years, even though only 107,000 jobs have been created since the Tories took office.

WEST EDMONTON

Lighting candles

It was a time for remembrance—and bitterness. Families of the 26 men killed in the May 9, 1992, explosion at Nova Scotia's Westray coal mine gathered at the site to hold a vigil marking the anniversary of the disaster. With a light wind blowing, they lit candles in memory of loved ones at 5:18—the time that the blast ripped through the mine—then walked three kilometres to a memorial erected for the dead miners. "The mine is there in front of your eyes all the time," said Marshall Doyle, a farmer who lost his youngest son, Robert, to the coal-dust explosion. "In five years, you get to live with it, but it's still a hard thing." Some carried signs saying "No more Westrays"—and complained that the disaster has had little impact on working conditions. A judicial inquiry exposed safety problems at the mine, and is expected to report later this year.

The horrors of abuse

The B.C. government appointed a task force to investigate how foster parents are screened, the type of training they receive and whether children in foster care are safe. The announcement followed two highly publicized recent cases of abuse. In one incident, doctors believe two-month-old Molly DeLaronde was violently shaken, causing seizures and a swollen brain. Her foster mother has been charged with aggravated assault. A short time later, an 18-month-old child was admitted to intensive care suffering similar symptoms. "The tragic incidents have highlighted the need to ensure not only that foster homes are safe, but that there are enough of them to provide us with options for placing children," Children's Minister Penny Priddy said.

In Toronto, meanwhile, a coroner's inquest into the October, 1993, death of 21-month-old Shanay Johnson ended with a recommendation for a comprehensive reform of the province's child-protection system. Shanay, who died as a result of a brutal beating, had spent 17 months in the care of the Metro Children's Aid Society foster-care program before being returned to her mother, Patricia Johnson. Johnson, a former crack addict, is now serving a four-year manslaughter sentence for Shanay's death. Among other things, the inquest recommended tougher sentences in child-abuse cases and revamping provincial laws to place greater emphasis on children's safety.

Endgame in Africa

Few will mourn the fall of Zaïre's besieged strongman


MIKE HUTCHINGS/REUTERS


CORINNE DUFKA/REUTERS

Pro-government demonstration in Kinshasa, rebel leader Kabila (left), an ultimatum

Across a rutted road from the mass of fetid garbage that litters Kinshasa's La Cité district, the shelves of Roger Kolomba's Boutique Prestige are bare of the milk, cans of fish, liquor and clothes the 25-year old entrepreneur has been selling since November. "Four times, soldiers have come to rob me," he said last week, "and with that happening I would have to work for a loss, so I have closed my store." Intimidation by the military is nothing new, he explained, but as rebels led by Laurent Desiré Kabila approached the Zairean capital, soldiers were stepping up their "security" raids. "They go door-to-door saying they are looking for Kabila's rebels," Kolomba said, "and then they rob the house to make money. We want the rebels to come. Maybe after that, things will change."

Many Kinshasans feel the same, and last week it seemed clear they would soon get their wish. Although a flurry of diplomatic manoeuvring continued, the negotiations were over how—not whether—Zaire's ailing strongman, President Mobutu Sese Seko would make his exit. For many in the capital region—the only area his chaotic government still controlled—it would come not a moment too soon. Thirty-two years under Mobutu's iron fist have left a country rich in diamonds, cobalt and copper nearly destitute. People lucky enough to have jobs work for wages of about $7 a month. Infrastructure is crumbling. Garbage rots in the street, health care is practically non-existent, even cemeteries are running out of space. There is no organized transport system to move Kinshasa's more than five million people. When it rains, puddles hide the depth of the craters and ruts in the roads, making it impossible for the packed minibuses and aging taxis to navigate around them.

It is a different scene behind the iron gates that surround Mobutu's Kinshasa residence, a grand house inside the Camp Tshatshi military base. There is no sign of the decay afflicting the country that made him one of the wealthiest men in the world. Peacocks parade on the lawns that slope to the curve in the Zaire River (formerly the Congo) where it races through rapids on its way to the Atlantic. Ceremonial guards, complete with British-style bearskin hats, stand at attention by the doors when dignitaries visit.

Mobutu seems almost oblivious to what has happened in Zaire. In seven months, an obscure group of rebels, called the Alliance of Democratic Forces for the Liberation of Congo-Zaire, has captured more than three-quarters of the country. Massed just 185 km east of Kinshasa last week, they kept up their demand that Mobutu step down and hand over power immediately to Kabila. Fighting between the rebels and government forces in the town of Kenge left up to 300 civilians dead. The insurgents had all but toppled Africa's longest-serving president. But emerging from a summit of regional leaders in neighboring Gabon late in the week, Mobutu acknowledged only that he was too ill to run in proposed new elections. At week's end, though, as the president arrived back in Kinshasa, South African Deputy President Thabo Mbeki announced that Mobutu had agreed to discuss a transition of power in talks with Kabila this week.

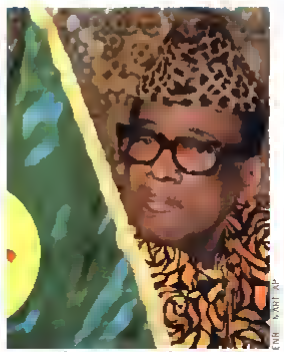
Throughout the crisis, Mobutu has treated the war as a minor nuisance. Stricken with prostate cancer, he spent much of his time undergoing treatment in Switzerland and France. Until just a few weeks ago, he flatly refused to meet with Kabila. Then, after Kabila issued an ultimatum—meet with him or he would seize the capital by force—Mobutu said he would agree only "if he asks politely."

It took U.S. envoy Bill Richardson, Washington's ambassador to the United Nations, to finally get the two men together. His talk with Mobutu was blunt, said a diplomat who attended. Richardson told the Zairean president there were three options: stay and be killed by the rebels when they take the capital, stay and flee in disgrace at the last moment; or negotiate a dignified departure. "Richardson was pushy," said one diplomat, "but he sent the message that needed to be sent to both parties." Richardson told rebel leader Kabila that he would have problems garnering international support and foreign aid if he did not act like a statesman and negotiate with Mobutu. The U.S. envoy also criticized the rebels for massacring Rwandan Hutu refugees in eastern Zaire, then preventing international aid workers from helping the survivors. Last week, more than 10,000 of the Rwandans were airlifted home by the United Nations.

The meeting finally took place on Sunday, May 4, on a South African ship off the Congolese coast following two days of delays, first by Mobutu, then Kabila. Essentially, the two men simply restated their positions. Mobutu did, however, offer the first indication that he knew his rule was nearing an end. Following a ceasefire and installation of a transitional government, he said, he would hand power to an elected leader. Three days later, he headed for the summit in Libreville, Gabon, which cemented the call for elections. Diplomats, however, said it would take at least a year, likely two, to organize such voting. Kabila called the Gabon outcome "absolute nonsense." However, after talks with South Africa's Mbeki, he agreed to give diplomacy a chance this week.

With Mobutu on the ropes, the U.S. involvement in Zaire raised many international eyebrows. Tradition ally, the strategic former French colony has been with in Paris's sphere of influence. Now, many analysts believe that the United States, a Mobutu ally during the Cold War, is backing Kabila to increase its power in the region. But diplomats involved deny that the conflict is one pitting anglophone against francophone. "The real issue is to get Zaire to become a democratic society with an elected government," said one.

Kabila's leanings are uncertain. He began political life as a 23-year-old Marxist in a 1960s rebellion supported by Latin American revolutionary Che Guevara. When the uprising collapsed, the rebels disappeared into Zaire's eastern mountains. Little was heard from Kabila until he was named head of the rebel alliance that emerged last September and rapidly took control of the eastern border towns. "There is no doubt that Laurent Kabila has been involved in some nasty things over the years," said a Western diplomat. One is probable involvement with the 1975 kidnapping for ransom of three Americans and a Dutch national by Zairean rebels at a game station in Tanzania, say knowledgeable sources. Is Kabila a democrat now? "At this stage, we can't tell. We hope so," said one diplomat. Another, asked the same question, just laughed loudly.


CHRIS WATT/AP

Mobutu in Gabon, seemingly oblivious

To try to convince Kabila to embrace the democracy he says he believes in, Western diplomats have played the aid card. But an official of Kabila's alliance argued that because the rebels have big business on their side, they don't need aid. In Zaire's mineral-rich southern provinces, Shaba and Kasai, foreign mining companies have signed contracts with the rebel alliance. Among them is Vancouver-based Tenke Mining Corp. Last week, it said it would pay about $70 million to Zaire's state mining concern, which is now controlled by Kabila's men, as part of a $340-million deal to develop the massive Tenke Fungurume cobalt and copper deposit. Rebel finance minister Mawampanga Mwana Nanga made little attempt to deny that the cash would aid the rebels' war effort. "Even if Tenke Fungurume does not help us directly to capture Kinshasa, the money gives us room to manoeuvre," he said. "It makes me more comfortable that we will win."

As the rebels tightened the noose on the capital, the people seemed less fearful of Kabila's forces than of their own poorly paid and ill-trained soldiers. At a grimy Kinshasa barracks last week, many soldiers said they were apolitical. But some had prepared white headbands, the sign of support the rebels have asked them to show, others said they will fight. All said, they have not been paid in three months. It was wage disputes in 1991 and again in 1993 that sparked Zairean troops to riot in incidents referred to as *le pillage*. In 1991, 9,000 foreigners were evacuated, in 1993, 2,000 left and Canada closed its embassy. One lone foreign affairs officer, Denis Gregoire deBlois, works in an office at the American Embassy, tending to the 500 Canadians normally in the country. About 85 per cent work in business, the rest as missionaries, deBlois says. By his count last week, about 100 of the Canadians had left.

Among them were Edward and Gertrude Deppner, who have been Canadian ministers for the New Apostolic Church in Zaire since 1981. The couple, who headed for Nairobi, witnessed both pillages. "In the first one, they didn't touch us," said Gertrude, 64. "The second time, they cleared everything out." That time, in 1993, the Deppners climbed onto the roof of their home and hid there. When soldiers discovered them, they tossed an uncocked hand grenade at them. "A soldier came up on the roof and ordered us down," said Edward, 60. "It got rough." The Deppners—and all of Kinshasa—were hoping it wouldn't be that way this time around.

JENNIFER GLASSE *in Kinshasa*

WAYS TO STAY AHEAD OF THE GAME



Get the Facts



Set up a Home Office



Return Important Calls



Stay Connected

Your client is ready to sign the deal. Opportunity knocks. Your appointment is changed. No problem.

With an Amigo pager you're connected when it matters most. And for as low as $69.95 for pagers and $7.95 a month for airtime, they are affordable too. Call 1-888-MY AMIGO to order now or visit an authorized Amigo Paging distributor.

Mention this ad upon activation and we'll give you ONE month free.

amigo

CANTEL AT&T

Terms and Conditions. Fulfillment through 1-888-MY-AMIGO® is restricted to PAC (pre-authorized credit card payment). Applicable taxes are extra. Available on new activations only. One month of free service will be applied to your paging account. Activation fee applies. Minimum 12 month term. Early cancellation fee applies. Not valid in combination with any other offers. Product may not be as shown. ©Rogers Cantel Inc. ®AT&T Corp. Used under License.

Hidden hunger

An isolated nation faces a worsening famine



R. CRUMB/AFP

Hunting for discarded bits of food: a grim reality

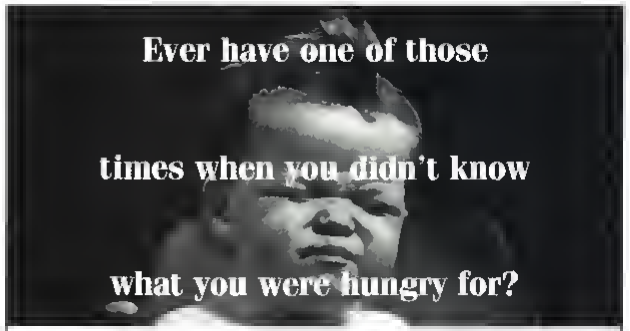
Don't look to North Korea's propagandists for understatement. According to them, Kim Il Sung, the country's late dictator, was "the Eternal Sun of the Nation" and "the Greatest Genius of Mankind." His son and successor, Kim Jong Il, is all that and more—even "the savior of present-day human music." But when it comes to the crisis gripping the North, the tone changes remarkably. "The people's food problem" is their laconic description for the spectre haunting the country. The reality, according to independent experts, is much grimmer. People appear emaciated, with loose skin hanging from shrunken bodies. Children's growth is stunted, and their hair has an orange-copper tint in a typical sign of malnourishment. Schools and offices are unheated, farm machinery lies idle because of fuel shortages, and workers clear land with their bare hands. Away from North Korea's showcase capital, Pyongyang, hundreds of thousands of people face slow-motion starvation.

So far, though, they are wasting away in virtual invisibility. In a world where even the remotest tragedy seems to fill TV screens as it happens, North Korea is a stubborn holdout. Its proud, prickly and paranoid leadership has allowed only a handful of foreigners to witness the suffering. They have returned with disturbing tales of hunger and warnings that the country is on the brink of famine. Michael Ross, an official with the United Nations' World Food Program who toured stricken areas in the southern part of North Korea in mid-March, recalled seeing people on the edge of starvation. "The safety net has been lowered inch by inch," he said, "and now it's at rock bottom for everybody."

After Ross's delegation returned from North Korea, the WFP doubled its appeal for aid to $130 million—enough to send 205,000 tonnes of food. So far, though, the international response has been lukewarm. Member nations have pledged only about 40 per cent of that amount, and the aid has just started trickling in. An American freighter, the Galveston Bay, docked in the North Korean port of Nampo last week and started unloading about 35,000 tonnes of grain. That is a drop in the bucket: UN officials estimate that North Korea has a shortfall of 1.3 million tonnes this year.

The problem is political. North Korea is the most unlovable of nations, and other countries face a dilemma: how to help the victims while not shoring up Kim Jong Il's hardline Communist regime. South Korea, the North's bitterest enemy, has frankly discouraged private relief efforts, while the United States is trying to use aid as a lever to get the North to join talks aimed at formally ending the Korean War after 44 years of a tense ceasefire.

There are few reasons, though, to doubt the severity of the situation. An American congressman, Tony Hall, returned from a trip to the North in April and reported seeing people suffering from malnutrition-related illnesses as well as hospitals running short of power and medicine. "I was stunned by what I saw," said Hall. "Evidence of slow starvation on a massive scale was everywhere we made an effort to look." Ross's WFP delegation visited three counties just north of the Demilitarized Zone that divides the two Koreas, in the area hardest hit by floods in 1995 and 1996. He saw workers clearing rocks from fields with their hands because there was no fuel for tractors. Daily rations had been cut from 700



You've known the feeling from childhood. It gnaws at you at night. You can't rest. No, not because you missed a meal but because your life is missing something. There is a void in your soul that only God's Spirit can fill. And how can you be filled with His Spirit? "Repent, and be baptized everyone of you in the name of Jesus Christ for the remission of sins, and ye shall receive the gift of the Holy Ghost." (Acts 2:38). Attend and experience the Holy Ghost at your local United Pentecostal Church, Pentecost Sunday, May 18, 1997.

Experience the power of Pentecost

For more information call toll free 1-888-HOLY GHOST (465-9446)
Or visit our Pentecost Sunday '97 site on the Web, at
http://www.upci.org/ghm/ps97

Maclean's and CanWest Global System
invite you to participate in

THE PEOPLE'S DEBATE



ON JOBS, TAXES AND THE COUNTRY'S FUTURE

SUNDAY, MAY 25, 1997

on the CanWest Global System

Leading figures from each of the major political parties will answer your questions on The People's Debate moderated by CanWest Global's Peter Kent. Featured panelists are Pamela Wallin of *Pamela Wallin Live* and *Maclean's TV* and Anthony Wilson-Smith, *Maclean's* Ottawa Editor and National Affairs Columnist.

With the June 2 federal election just a few weeks away, what are your concerns about jobs, taxes and the country's future? Have your questions answered on air by all five political parties.

E-mail your debate questions now at globaldebate@macleans.ca or fax them at (416) 596-7730. (Please leave your name and day-time telephone number.)

Watch The People's Debate at 5:00 p.m. on the following stations: U TV Vancouver, STV- Saskatoon & Regina, CKND- Winnipeg, MITV- Maritimes and at 6:00 p.m. on the Global Television Network in Ontario.

Maclean's
WHAT MATTERS TO CANADIANS

CANWEST GLOBAL SYSTEM

grams of food a day to just 100—equivalent to one bowl of rice per person. That is not enough for survival, so people were supplementing it with pickled vegetables, roots and a powder made from dried corn cobs. In other areas, travellers report people eating bark from trees. Still, Ross saw no evidence that women, children and other vulnerable people were suffering more than others. "The food, such as it is, seems to be equally distributed," he said. "The pain is evenly spread."

There are glaring exceptions to that. People in Pyongyang appear comparatively well fed, and North Korea's enormous military establishment has its own food stocks. Such inequities fuel doubts that rushing aid to the North is a good idea—or will even help those truly in need. Kim Shin Jo, a prominent defector from the North who now oversees a Christian organization in South Korea, is among those who warn that Kim Jong Il's regime will divert extra food to keep the military and other key sectors happy. "I can't understand how people can be so naive that they let themselves be used by North Korea," he says. "It is wrong just to give food to North Korea, because those people who are really starving will not get the food."

South Korean officials say the North should first help itself. A mere five-per-cent cut to its enormous military budget would buy enough grain to ease the famine, they argue. Anyway, they ask, why help a country that spends tens of millions of dollars celebrating the birthday of Kim Il Sung with ever bigger statues and staging massive military parades—as it did as recently as mid-April? And why help a country that makes it so *hard* to help? In 1995, when South Korea shipped 150,000 tonnes of rice to the North, Pyongyang insisted that the southern ship hoist the North Korean flag, and arrested a crew member for taking photographs of the harbor. And just last week, South Korean Red Cross officials and their northern counterparts broke off their first face-to-face talks in five years in Beijing. The North demanded firm commitments on the timing and size of aid—guarantees the South said it could not give.

The North does get supplies from other sources—especially China. U.S. officials estimate that China gave 540,000 tonnes of rice, flour, corn and other food to North Korea last year, and will give a similar amount this year. That dwarfs the amounts being discussed by the United Nations. The United States is by far the biggest donor to the World Food Program's appeal, with a pledge of $34 million. South Korea has promised $8 million, with $3 million from Australia and $2.7 million from the European Union. Canada has pledged nothing—prompting an appeal from the UN organization to Ottawa. So far, Canada has taken North Korea off a list of countries barred from receiving humanitarian aid, clearing the way for a private group to send a 15,000-tonne shipment of wheat. And the Canadian Foodgrains Bank in Winnipeg is shipping $4.5 million worth of wheat (with 80 per cent of the money coming from the Canadian International Development Agency, the rest from churches).

The larger question is how long North Korea's regime can last. It suffered a blow in February when a top official, Hwang Jang Yop, defected and denounced the North as "an abnormal system, a mix of socialism, modern feudalism and militarism." Hwang warned that the North could "turn the South into a wasteland" with nuclear and chemical weapons, and is on the verge of collapse. But despite its woes, there are no signs that Kim Jong Il's regime is in immediate danger. Lee Jong Soek, a research fellow at the Sejong Institute in Seoul, notes that since the death of Kim Il Sung in 1994, North Korea's military has taken centre-stage. For now, at least, it seems to be confident that its people may starve—but they will not rebel.

ANDREW PHILLIPS *in Washington with* **JASON NEELY** *in Seoul*

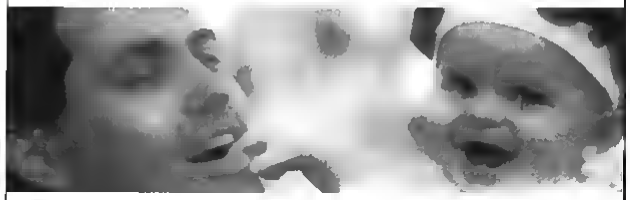




Malnourished child; leader Kim Jong Il: doubts about aid

'The starving won't get the food'

Since our children are facing a dangerous future, let's change the face of their future.



It's frightening and frustrating—at times, overwhelming—raising our children in the maze of mixed signals that is our society. We need God's strength to help us guide and guard our families as we go into the next century. It's available. "Repent and be baptized everyone of you in the name of Jesus Christ for the remission of sins, and ye shall receive the gift of the Holy Ghost." (Acts 2:38). Experience it at your local United Pentecostal Church on Pentecost Sunday, May 18, 1997. Heaven help us.

Experience the power of Pentecost.

For more information call toll free 1-888-HOLY GHOST (465-9446)
Or visit our Pentecost Sunday '97 site on the Web, at:
http://www.upci.org/ghm/ps97

World NOTES

DISASTER IN IRAN

Frantic rescue efforts were under way in an agricultural region of eastern Iran, where one of the largest earthquakes in the nation's history levelled villages, killed more than 1,000 people and injured an estimated 40,000. The quake, felt across four provinces, produced some 30 powerful aftershocks. Iranian government officials issued an appeal for international aid.

CLINTON HEADS SOUTH

U.S. President Bill Clinton carried a vision of free trade throughout the Western Hemisphere by 2005 as he made a week-long tour of the region. However, he disappointed Central American leaders at a summit in Costa Rica by avoiding a pledge to speed up the process, which faces opposition in the U.S. Congress. Clinton's visit to Mexico eased tensions over drug trafficking and illegal immigration. He also discussed trade and drugs at a summit of Caribbean leaders in Barbados.

ENTER SONIA GANDHI

Sonia Gandhi, the reclusive Italian-born widow of assassinated Indian prime minister Rajiv Gandhi, announced that she was entering the political arena. Sonia, 50, joined the Congress party, which Rajiv, his mother Indira and his grandfather Jawaharlal Nehru all led to power. Analysts believed the entry of another Gandhi would help unify the troubled party, currently out of office, but they were divided on whether Sonia would try to lead it.

ARAFAT'S EDICT

Palestinians caught selling land to Jews will face the death penalty, according to officials of Yasser Arafat's autonomous government on the West Bank. They said the measure was necessary to stop the expansion of Israeli settlements on Arab territory, such as the highly controversial Har Homa development near Jerusalem. It resulted partly from land sales by Arabs.

MORE ARMY SEX CHARGES

The U.S. army charged its highest-ranking enlisted man, Sgt. Maj. Gene McKinney, with adultery and assault in the latest case in a military scandal involving illicit sex on bases. McKinney is accused of sexual harassment by four female soldiers. The Pentagon said it is reviewing fraternization rules.



CAT ON A HOT ISSUE:

Cherie Blair, wife of Britain's new prime minister, holds Humphrey, a mongrel who lives at the leader's residence, to dispel reports that she doesn't like cats and wanted him out. Britain's legions of animal lovers had deluged 10 Downing Street with complaints. Husband Tony was clearly intent on making a strong start after his crushing defeat of John Major's Tories. His Labour government raised interest rates to dampen inflation fears, then, in a historic move, handed over power to set future rates to the Bank of England. Officials also promised a "new era" in relations with Europe.

A harsh report on Nazi gold

A long-awaited U.S. report on international trafficking in gold and assets stolen by the Nazis during the Second World War came down hard on the postwar administration of President Harry Truman and on Switzerland and other "neutral" countries. "Neutrality collided with morality," said the report, prepared by Undersecretary of Commerce Stuart Eizenstat and the state department's chief historian, William Slany. Truman, they wrote, was more concerned with rebuilding Germany than ensuring Switzerland complied with a 1946 treaty requiring it to hand over Nazi gold, although allied intelligence knew Switzerland was understating the amount it held. Washington allowed Swiss assets in the United States to be unfrozen too soon, giving up a key lever for enforcement.

Eizenstat also found "incontrovertible evidence" that Swiss bankers knew they were trading in gold that Germany had looted from the treasuries of states it occupied. But the most sensational document among 15 million pages declassified from 11 U.S. agencies was one handwritten ledger sheet from the Reichsbank, Nazi Germany's central bank. It showed a deposit of 29.996 grams of "dental gold." This confirms that the Nazis melted down and recirculated gold extracted from the teeth of murdered Jews and other death camp victims. The report says jewelry and other gold taken from prisoners formed a small but significant portion of the total Nazi plunder—estimated at $8 billion at today's rates.

Convicting a Bosnian Serb of war crimes

A Bosnian Serb bar owner became the first person in 50 years to be convicted of war crimes by an international court. At the UN tribunal in The Hague, Dusan Tadic, 41, was found guilty of 11 charges involving his role in the persecution and torture of Muslims and other civilians in northwestern Bosnia in 1992. He was acquitted of murder in the deaths of 13 Muslims, but chief prosecutor Louise Arbour, a former Ontario judge, noted that two of his convictions involved ethnically motivated killings classed as crimes against humanity. Tadic was also cleared of a charge that he forced a Bosnian Muslim to bite off the testicle of a fellow prisoner. He will be sentenced once any appeals are exhausted. the death penalty is not allowed under UN rules. The conviction was the first for war crimes since the post-Second World War trials in Nuremberg and Tokyo.



WHEN YOU TASTE

THAT DELICIOUS SENSATION

OF QUALITY

PERFORMANCE

COMFORT

YOU WILL KNOW

YOUR APPETITE

HAS FINALLY

BEEN SATISFIED.



THE ALL NEW TOYOTA CAMRY

Been craving for something new? Something that satisfies your appetite for performance, comfort and value? We've prepared the new Camry just for you. First, sample its sleek new looks. Then for a real treat get behind the wheel for a taste of true driving pleasure. The new Camry is more powerful and responsive while the ride is smoother and quieter. Its refined comfort will reflect your good taste while providing more legroom, comfort and standard features than ever before. The new Camry. Get a taste of something better. Nicely equipped, from $21,178*

TOYOTA

Your Toyota Dealer is a proud sponsor of Canadian Special Olympics. *MSRP for 1997 Camry CE (BG22KM-AA). Price excludes license, insurance, applicable taxes, freight and PDE. Dealer may sell for less. Model shown with optional equipment. See dealer for details.



CAMRY

TAKEtheBRIGHTSIDEoftheROAD

People

Edited by
BARBARA WICKENS



Kasparov, finding signs of intelligence

The Kasparov-Deep Blue duel

Win, lose or draw, one thing became clear in the latest man versus-machine matchup: neither will ever be the same. In February, 1996, when world chess champion **Garry Kasparov** first took on Deep Blue, an IBM RS/6000 SP parallel processor with specialized microchips, the man emerged the winner. Then, while IBM engineers doubled their computer's power so it could examine 200 million moves per second, the 34-year-old Russian grand master chose to brush up on the intuitive aspects of the game that cannot be grasped by number-crunching alone. With research gleaned from the tournament, Big Blue's heirs may move on to other complex situations, such as weather forecasting, air traffic control or molecular dynamics. As for Kasparov, who once claimed that—human error aside—a person will always be better at chess than a machine, he admitted that Deep Blue had shown "signs of intelligence."

From romance to renegades



Hoag: tidy conclusion

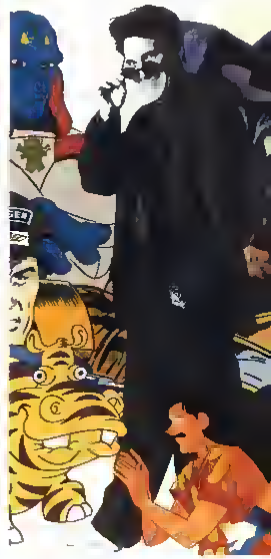
American author **Tami Hoag** has published 20 romance novels since she first read one in 1988 while waiting for her disabled pickup to be towed to a garage. But crime elements kept intruding. So in 1995, Hoag wrote her first full-fledged thriller, *Night Sins*. With that switch, she arrived on best-seller lists, and the book was turned into a recent CBS mini-series. Her new novel, *A Thin Dark Line*, about a policewoman's investigation of a sexual homicide, is set in rural Louisiana, far from Hoag's Minnesota farm. But the plot is derived directly from her frustration over an actual case in her home state in the 1980s. As in the book, authorities lost their chance of getting their prime suspect after a key piece of evidence was ruled inadmissable in court. Unlike her fiction, however, 38-year-old Hoag notes that real life provided no tidy conclusion. "That guy," she says, "is still roaming about free."

Rock 'n' passion

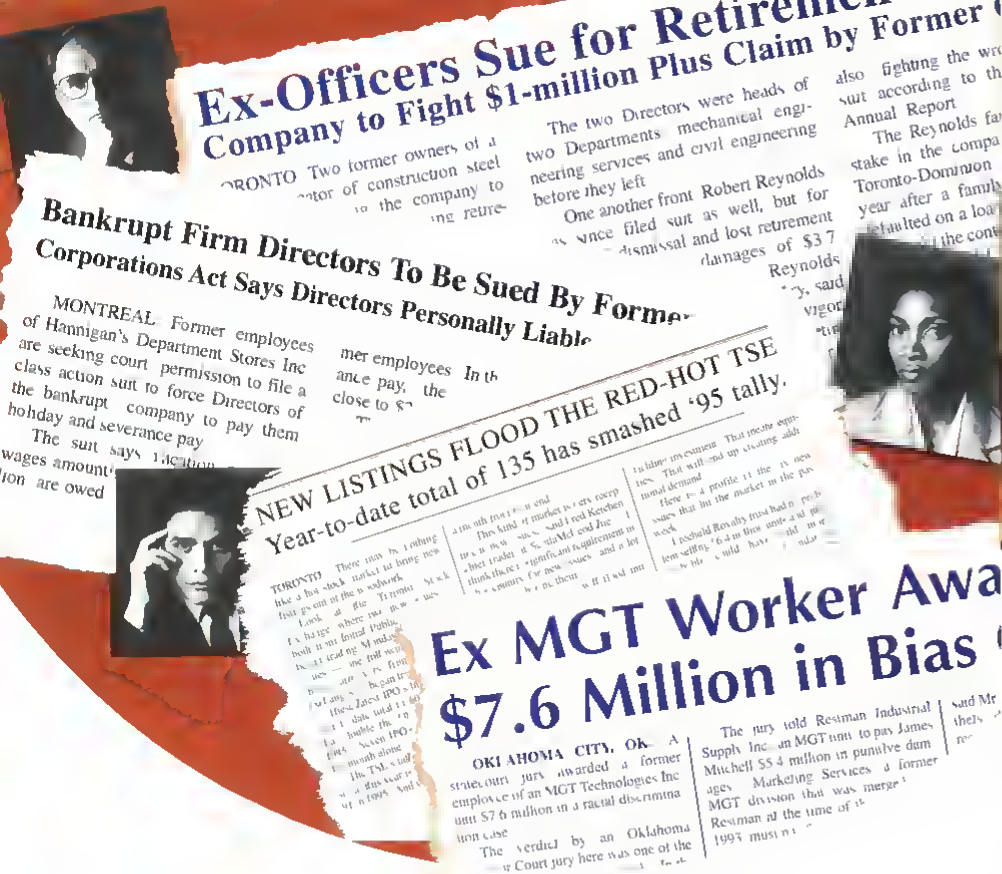
Surreal, gritty and colorful, **Floria Sigismondi**'s directorial and photographic style has caught the eye of some of the hottest names in rock. She has made videos for ghoulish rockers **Marilyn Manson**, British hip-hop artist **Tricky**, as well as **David Bowie**. At age 22, she got her very first photo shoot, a lingerie spread for the now-defunct *TO* magazine, which won her a coveted National Magazine Award. She soon added directing to her list of credits. Unlike videos with more typical narratives, hers are highly imagistic. For that, Sigismondi, 31, who now divides her time between New York City and Toronto, credits her heritage: born in Pescara, Italy, she was raised in Hamilton by her opera-singer parents, **Lina** and **Domenico**. "The tragedy, passion and theatrics of opera," she says, "have all influenced me."

A mouthpiece for cartoons

David Kaye may be one of the busiest actors in Canada, although he is almost never recognized by his fans. Kaye works in theatre, film and television, but he is also currently one of the most sought-after voices in the industry, starring in commercials, TV cartoons such as *GI Joe* and *Beasties*—in which he does the menacing voice of bad guy Megatron—and animated series such as *Kleo the Misfit Unicorn*. "I know it's not a normal career," says 32-year-old Kaye. "It's not even a normal acting career, but it works for me." A former disc jockey in Vancouver, where he still lives, Kaye became interested in doing voice-overs while still in radio. For one thing, the work is fun. "I get to use all these voices that I have in my head," says Kaye, who adds with a laugh, "how many people can say that they are a cartoon character? There's Bugs Bunny, there's Elmer Fudd—and there's me."



Kaye and his cast of characters: 'these voices I have in my head'



Ex-Officers Sue for Retirement
Company to Fight $1-million Plus Claim by Former

TORONTO Two former owners of a ...ctor of construction steel ...to the company to ...ing retire-

The two Directors were heads of two Departments mechanical engineering services and civil engineering before they left

One another front Robert Reynolds ...vince filed suit as well, but for ...dismissal and lost retirement ...damages of $3.7

also fighting the wr... suit according to th... Annual Report

The Reynolds fa... stake in the compa... Toronto-Dominion ... year after a family ...defaulted on a loa... the cont...

Reynolds ...y, said ...vigor...

Bankrupt Firm Directors To Be Sued By Forme...
Corporations Act Says Directors Personally Liable

MONTREAL Former employees of Hannigan's Department Stores Inc are seeking court permission to file a class action suit to force Directors of the bankrupt company to pay them holiday and severance pay

The suit says Hannigan ... wages amount... ...ion are owed

...mer employees In th... ance pay, the close to $3...

NEW LISTINGS FLOOD THE RED-HOT TSE
Year-to-date total of 135 has smashed '95 tally.

TORONTO There was nothing like a hot stock market to bring new ...first guy out of the ...Look at the Toronto Stock Ex... Bubble where new ... built in my former Public... Digital Leading M... and ... one that went ders ... to firm... ...of any ... began trad... These Zacks IPO-... ...data valid 11 bubble th... ...Seven IPO-... ...month alone ... The TSE's tall... ...this year is 1995 And ...

...a month from This kind of market is very excep... ...it's not, said Fred Ketchen ...their tracker ...significant requirement in ...common Over these issues and a lot ...with them ...

...to finance investment That means ...ties That will shut up chasing skit... ...mand demand ...

Here's a profile of the 15 new ...ssues that hit the market in the past week ...

Archibald Royalty Trust baby pitch... ...fers selling C$4 million units at $... ...the world have ...

Ex MGT Worker Awa...
$7.6 Million in Bias ...

OKLAHOMA CITY, OK A state court jury awarded a former employee of an MGT Technologies Inc unit $7 6 million in a racial discrimination case

The verdict by an Oklahoma ...r Court jury here was one of the ...

The jury told Resman Industrial Supply Inc an MGT unit to pay James Mitchell $5 4 million in punitive damages Marketing Services a former MGT division that was merged ... Resman at the time of its ... 1993 must ...

said Mr ... theirs ... re...

FRONT PAGE INSURANCE COVERAGE

As a business grows, so does the risk. And you don't want to end up on the front page because of things you didn't anticipate. That's why Chubb Insurance has developed ForeFront – to protect mid-sized businesses and their management.

Employees, creditors, shareholders can all take action against your company or against you, personally, as a Director or Officer. The changing legal environment makes these claims more costly and more common. Expansion into the U.S. or other jurisdictions brings new legal risks as well. Discrimination, harassment and employee intimidation have local interpretation that could seriously impact on your company, and you personally. They could even put you out of business.

ForeFront is a comprehensive coverage package that provides Directors & Officers Liability, Outside Directorship Liability, Employment Practices and Fiduciary Liability coverage. For more information about the protection you and your company need, now and into the future, call your insurance broker or contact Chubb Insurance Company of Canada at (416) 359-3186.

Insure your world with

CHUBB

CHUBB INSURANCE COMPANY OF CANADA

Visit us at www.chubbinsurance.ca



The blame game

Bre-X collapses and the police move in

BY JENNIFER WELLS

It was a cool night in Jakarta and the Shangri-La hotel was all aglitter Valentine's Day, 1997. Young couples swayed through the lobby, the ladies carrying helium heart-shaped balloons and single roses. A piano player sat at a full-sized grand, playing Johnny Mathis tunes. And of course there was a sultry chanteuse, wearing a red slithery-silk thing. "You make me smile with your heart," she sang. It was a bejewelled backdrop to the deal that went down that day, the forced one between Freeport-McMoRan's Jim Bob Moffett and Bre-X's David Walsh, the one that was meant to settle the ownership of Busang. Busang. The mother of all gold mines. That's what was said. That's what was written. That's what I wrote.

I met Bre-X geologist John Felderhof at the Shangri-La two days later. We rode up the elevator to the club floor, then backtracked to the gardens behind the hotel. And there we sat, drinking beer, talking of Busang. Felderhof continuously smoking Marlboro Lites, scrawny cats curling around the table legs. "When did you know you had hit the motherlode?" I asked. "When we drilled line 59, three holes 150 m apart," he said. "That's when I called David up and said, 'We've got a monster by the tail.'" Felderhof used that story line a lot.

Drill line 59. That was back in 1995, when work was gearing up at Busang. Through the fall of that year, Bre-X's crew of Filipino geologists was working flat out. Bobby Ramirez was logging core samples as fast as he could. Under chief geologist Michael de Guzman's orders, there was a mad rush to get the core downriver to Samarinda. Overseeing operations, Cesar Puspos would spend weeks at a time there, staying up late into the night, working on his personal computer, which he never let anyone borrow. "There were bags and bags of core there," recalls a Canadian geologist who worked for a time at Busang. He accepted the explanation that there was a sampling backup 100 km away at the assay lab in Balikpapan. There wasn't.

By February, 1997, Bre-X Minerals Ltd. of Calgary was sitting on a 50-million ounce gold mine, at a minimum. That's what Bre-X CEO Walsh was saying, and Felderhof, and de Guzman. Not only was the mine potential enormous, said the company, but the gold would fall from the rock like crabapples in autumn. Felderhof was exhausted and beleaguered—fed up, he said, with the way the company had been portrayed, "painted as a company that did all sorts of underhanded things." He was referring to the issue of land title, which the company did not have; the aggressive, and technically illegal, drilling the company had undertaken, the company's failure to notify investors when its exploration permit was cancelled, the heavy selling of shares by insiders at that time, the claim by Indonesian businessman Jusuf Merukh that he had been cut out of the find.

As the controversy grew, the focus was on the insidious creep of Indonesian politics, the private eyes that had been put on the case, the battle between major mining houses to get control of Busang. The geology was a given. Or so it seemed. "I spend my lifetime in the bush," said Felderhof, who left Halifax for the wilds of Asia in his 20s. "I'm proud of my technical record."

On the eve of the Freeport deal, Felderhof was an ashen, chain smoking mess, anxious about the deal going down. He did not want a tape recorder on, he was impatient with attempts to take photographs, he turned shirty when he was shown a government-registered map of Busang—and was asked when Bre-X had stepped outside the property's central zone where it held a contract of work, and had moved into the southeast zone, where it did not. There was so much pressure. "I didn't work hard all my life to be smeared and hauled through the courts by a bunch of people," he said sharply.



It was a hell of a subplot. Great smoke and mirrors. Who could have known that Busang in truth was a salting scam, the biggest, fattest fraud in the history of mining. "It's the oldest game in town, ladies and gentlemen," Moffett, whose own drill results in March showed that Busang was barren, told journalists last week. "Desperate prospectors have been salting mines since the beginning of the mining industry. It's a terrible fraud, it's repugnant."

The final confirmation came last week in a report from Graham Farquharson, the straight shooting head of Toronto-based Strathcona Mineral Services Ltd. On March 19, when Farquharson first met with Bre-X representatives Rolly Francisco and Bryan Coates and their outside legal counsel, John Sabine, Coates asked Farquharson if he thought it possible that the Busang data had been based on tainted samples. "We quickly replied that this would be most unlikely," the Strathcona report said, "given the number of samples that were involved." The facts, as Strathcona quickly learned, were very different. "What has been difficult has been the acceptance of the evidence that this tampering has occurred for so long, on such a scale, and with such accuracy as to give the assay values, and subsequent interpretation of those values, the appearance of being plausible."

Bre-X cratered, the stock retreating to penny-mine status. Once valued by the market at $6 billion, the stock was all but bust flat. Short sellers covered their positions and souvenir hunters put in the call for share certificates. The Toronto Stock Exchange and NASDAQ in New York City delisted the stock, and other exchanges will follow suit. The independent directors quit, including Paul Kavanagh, the retired Barrick Gold Corp. geologist who staked the waning days of his career on Busang. Francisco, the company's chief financial officer, quit, too. The RCMP moved in to investigate, and Bre-X sought bankruptcy protection. Harvey Strosberg, the Windsor lawyer spearheading one of nine class-action suits against Walsh and his team, added Toronto brokerage Nesbitt Burns Inc. to his target list. Nesbitt's gold analyst, Egizio Bianchini, had remained a great supporter of Bre-X even after Freeport reported its finding of "insignificant" amounts of gold at Busang.

Felderhof was fired. He issued a statement from his Cayman Islands mansion through his Toronto lawyer, Joe Groia, the former enforcement chief for the Ontario Securities Commission. Felderhof called the latest reports about



Walsh (right), a Bre-X employee, Calgary office (opposite): smoke and mirrors

Busang "startling." He insisted, for the second time in a week, that he was unaware of any fraud. "Notwithstanding these revelations, one does not lose faith in many years of professional work overnight. It will be several days, or weeks, before I have had a chance to properly assess all of this new information. I will appreciate everyone's patience until then." In Halifax, his sister Ineke, who runs an art gallery, told *Maclean's* that the whole Felderhof clan is greatly upset. "He's a man of great integrity," she says. "His integrity is as solid as a rock. I think everything will come out in the wash."

At the annual Prospectors and Developers convention in March, 1996, de Guzman gave a much anticipated speech before the Toronto mining crowd. Bre-X was *the* hot stock, on its way to being touted as the guardian of the largest single gold deposit discovered in human history. Scattered through the crowd were the usual mining analysts, some of whom would go on to visit the site that summer. De Guzman had little charm as a speaker, but no one cared about his presentation style. He talked about the impressive grades coming out of the site, of the potential for a high recovery rate. "The resource calculation there," he said, referring to part of his slide presentation, "shows our internal estimate as against drill-based calculations by Kilborn."

Kilborn, a subsidiary of the blue-chip Montreal engineering firm SNC-Lavalin, had been retained by Bre-X. Presentations such as this one led investors, and analysts to believe that the company was independently auditing Bre-X's results. "The Kilborn figures come up to be, this time, better than we were," said de Guzman, referring to one set of figures. "Looks like I'm sleeping a little bit on this one." The audience laughed.

Two weeks later, Walsh issued a news release. A reporter at *The Financial Post* had raised technical questions about the validity of the company's assay methods. In the release, Walsh quoted Felderhof: "Metallurgical test work conducted by internationally recognized Kilborn Engineering, as part of their recently completed pre-feasibility study on Busang, resulted in their determining that Bre-X's current and previously reported gold assay results are in fact understated by as much as 12.9 per cent.' The tail end of the sentence appeared in boldface type. It all seemed so reassuring. Kilborn later revealed that its job was merely to compile a database built on Bre-X's own numbers.

Then there were the reports from analysts on the prospects for Busang, the same analysts that de Guzman squired about the site in the summer of 1996. "If our aggressive development assumptions come close to future reality," said Daniel McConvey of Lehman Brothers in New York, "in five years Busang may be the largest-producing gold mine in the world." McConvey's report ran to a thorough 50 pages. "Only uncertainty over tenure disputes, concern over politics and the reaction of the major mining companies to the current project and investment risks put a lid on our target price," said McConvey. Busang, he said, 'was not only a geologist's dream but a metallurgical dream."

McConvey was wrong. But can he be faulted for that? Like others in the investment community, he accepted the decision—made, he says, by Felderhof—to have pieces of whole core crushed for sampling. It is common practice in the mining industry to split the core, crush half, and retain the other half. An acquiring company, a Barrick Gold or a Placer Dome Inc., would then have crushed and assayed the rest of the core, to be checked against the initial results. Felderhof's explanation, that splitting the core meant losing too much of the gold, seems not to have alarmed any of the analysts.

It certainly concerned Barrick. When the company agreed to buy Arequipa Resources Ltd. of Toronto last year, Barrick did not have to redrill Arequipa's rich Pierina Project in Peru for the simple reason that Arequipa had kept core splits for independent testing. SOP—Standard operating procedure. Last December, Barrick geologists moved onto the Busang site, and took small "skeleton" pieces of core, which, when assayed, gave poor gold values. Other samples provided by Bre-X, which had gone the Samarinda route, showed better results. Barrick tried to square the inconsistencies with Felderhof, but the company was hoisted from the site before it could do its own drilling.

On Feb. 17, Walsh issued another news release. Like the best stock promoters, Walsh has a smooth sense of timing. The deal with U.S. mining firm Freeport-McMoRan Copper & Gold Inc., brokered by Indonesian timber tycoon Mohamad (Bob) Hasan, chopped Bre-X's interest in Busang to 45 per cent from 90 per cent. How nice for Bre-X that Walsh had at his fingertips new resource numbers, upping the Kilborn calculations to 71 million ounces from 57 million ounces. Included in the release was a table that set out the drill lines and the average grade of gold recovered from a series of holes. On behalf of the board, the release was signed David G. Walsh, president and CEO.

Two days later, Walsh and Felderhof, along with their two investment advisers from J. P. Morgan in New York, took a conference call with analysts to sell them on the Freeport deal. Morgan's Doug McIntosh reviewed the economics of Busang: the milling rate, the cash costs, the capital costs, all based on Kilborn's intermediate feasibility study. Felderhof allowed as to how he was "comfortable" with 200 million ounces as a resource estimate for Busang. There was, he said, "lots of blue sky." Felderhof went on to say that early discussions with Freeport had gone smoothly. "The more they look into this, the more pleased they are by the excellency of the data." The company's due diligence, he said, might take as little as 10 days.

Rather than being thrilled with the excellence of Bre-X's results, Freeport had become very nervous very early. "It was clear to me after asking questions for two days that no one had ever done an independent analysis of this project, and the Bre-X people had controlled this project for three years and nobody had been allowed to do independent drilling," Moffett said last week. There was no gold at the surface, no "geochem halos," no surface anomalies. When Freeport drilled seven holes in the sweet spot of the southeast zone, there was simply no gold at all.

On March 12, Moffett phoned Toronto, where Walsh and Felderhof and de Guzman were moving like royalty among the crowd at the Prospectors and Developers convention. "I hated to interrupt their joy," said Moffett, who is noted for his sense of humor and his Elvis impersonations, "but I informed them that they needed to get somebody back to the job site because we had run into difficulties." Walsh was the first to take the call. 'He started out by telling me that he was a financial person and he didn't understand all that stuff.' Walsh put Felderhof on the line. Felderhof said there must be some mistake, a mix up. De Guzman was dispatched to the site. "It was almost a four-day wait," said Moffett. "Then, he didn't arrive at all." On March 19, the day Bre-X sent Francisco to meet with Farquharson, de Guzman jumped out of a helicopter over the Borneo jungle.

Mike de Guzman went to work for Benguet Corp., a Manila based mining company, in 1977. He spent a decade there as a mine exploration geologist. In the early 1980s, Cesar Puspos worked under de Guzman at Benguet. Puspos was reserved, quiet, "not very vocal about issues," says Paul Damasco, who was division manager of geology at Benguet at the time. "He was industrious, technically competent." De Guzman recruited Puspos to work with him at Bre-X.

De Guzman, Puspos and Jerry Alo ruled the Busang site. One geologist who worked there for a time recalls how odd it seemed that the lights in the sample preparation lab would be on at night, that the facility seemed well-equipped, but that little work appeared to go on there.

The same observation is made in the Strathcona report. The core deemed to be "mineralized" was bagged and shipped downriver. The so-called in-fill material was pulverized on site and, when assayed by an independent laboratory in Balikpapan, showed low gold values. The barged core, on the other hand, usually did show gold values. "We can only suggest that somewhere en route, probably at Samarinda, there has been a 'laboratory' or facilities established that have allowed very precise additions of the foreign gold that we and others before us have identified in the Bre-X samples delivered for assaying," said the report. Last week, *The Wall Street Journal* quoted a Bre-X employee who claimed to have observed the mixing of powders with core samples at Bre-X's warehouse at Loa Duri, near Samarinda.

Late last week, police in Jakarta were trying to track down Puspos, interviewing Bobby Ramirez and Manny Puspos, Cesar Puspos's younger brother, who joined Bre-X a little more than a year ago.

David Walsh, in turn, hired forensic experts to get to the bottom of the fraud. The same David Walsh who for weeks swore that he stood by Felderhof and the company's core-handling procedures. The same David Walsh who, even after the Freeport results came up dead dry, ridiculed the suggestion that his company, which was once worth barely 10 cents a share, was no longer worth even that.

With ABBY TAN in Manila

GAMBLING ON GOLD

Pension funds were among the biggest losers when Bre-X shares tanked. A sampling of funds and their losses:

Ontario Teachers Pension Plan Board	$100 million
Caisse de dépôt et placement du Québec	$70 million
Ontario Municipal Employees Retirement Board	$45 million
Newfoundland Public Sector Pension Plan	$5 million
Halifax Regional Municipality pension fund	$1.5 million
Edmonton Telephone Endowment Fund	$750,000



JEFF MCINTOSH/CANAPRESS

Investigators in Calgary: seeking clues



Aerial view of the Busang property: one analyst called it a 'geologist's dream'





Felderhof accepting a Canadian mining industry award in March: 'integrity'



Ross Laver



Personal Business

The insolvency crisis

For the third consecutive year, personal bankruptcies across the country are running at record levels. Some commentators—opposition politicians in particular—cite this as evidence of a profound economic crisis, the result of chronically high unemployment and heartless cuts to social programs such as welfare and unemployment insurance.

A closer look at the numbers, however, suggests another explanation: an alarming number of Canadians now view bankruptcy as a financial quick fix.

Consider: the unemployment rate in April was 9.6 per cent, compared with 11.9 per cent in late 1992. Over the same five-year period, the expanding economy created a million new jobs, bringing the employment total to 13.8 million.

Compare that with the number of personal bankruptcies. For a while after the last recession, it drifted steadily downward, bottoming out at 53,802 in 1994. Then it took off, hitting 65,432 in 1995 and 79,631 in 1996. Another 14,055 Canadians filed for bankruptcy in the first two months of 1997, 11 per cent more than in the same period a year earlier.

So while the number of people without a steady paycheque has been going down, the ranks of insolvent individuals have been growing. What gives?

Barb Godin, the senior vice-president in charge of retail lending at the Bank of Nova Scotia, thinks she has the answer. Rather than trying to work out their problems and pay off as much debt as they can afford, Godin says, many people now resort to bankruptcy as the first response to financial distress.

She points out that in 30 per cent of the personal bankruptcy cases that land on her desk, there were no warning signs: no missed payments, no phone calls from the borrower pleading for more time, no attempt to use one credit card to make payments on another. Instead, the insolvency comes right out of the blue. "One day, they're up to date on all their payments, the next day they're bankrupt," Godin says. "It's as if the borrower suddenly woke up and said 'Heck, the bank made a billion dollars in profit last year—they can afford to absorb my debts.' " (In reality, the cost of bankruptcy is born by other borrowers, in the form of higher interest rates.)

Another trend that worries Godin is the rapidly accelerating pace of insolvencies among professionals. "I'd say that 90 per cent of these cases have to do with investments that went wrong or disputes over alimony. People are being told by their tax advisers that bankruptcy can make prudent financial sense, and that compared with the alternatives it carries no real consequences."

> An alarming number of Canadians now view bankruptcy as a financial quick fix

Nick Hodson, a forensic accountant at Ernst & Young in Toronto, has done his own research on the credit-card shopping habits of people in the months before bankruptcy. He found that consumers tend to spend more as insolvency approaches and are significantly more likely to make big-ticket purchases—expensive perfumes, stereo systems and so on. The study also pointed to a marked increase in the buying of gift certificates. "On the face of it, that suggests these are planned bankruptcies," Hodson says. "People know they're going over the dike, so they're buying things for the future and loading up on gift certificates that can be used down the road for cash."

Godin acknowledges that bankers and other lenders have to accept some of the blame for the surge in bankruptcies. But she also maintains that tougher laws are needed to discourage people from taking what is, at least in some cases, the easy way out. Just before the election call, Parliament passed a series of amendments to the federal Bankruptcy and Insolvency Act that, if enacted by the next government, will give trustees more power to garnishee the incomes of debtors in order to repay creditors. That's a start, but more is required. Bankruptcy is meant to be a last resort, not a free ride for which responsible borrowers pick up the tab.



DR. MICHAEL COWPLAND President and CEO, Corel Corporation

COREL VENTURA 7
POWER PUBLISHING SOFTWARE

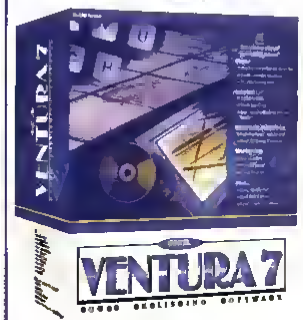
SIMPLY THE BEST!

"Ventura's definitely the program to beat now..."
Windows Magazine, March 1997

"Ventura Publisher 7.0 opens up a new market for itself, not merely as a large-document publisher, but as a temptingly easy-to-use, multipurpose publishing application... all in one package. It's a tough act to follow."
PC Computing, November 1996

"Corel's Ventura 7 is rocketing to the top of the charts, thanks to a revamped interface and support for cutting-edge Web publishing."
Windows Sources, October 1996

"Version 7 is a major programming achievement and has returned Ventura to the pantheon of professional layout software..."
Publish, March 1997



COREL VENTURA 7
GRAPHICS PUBLISHING SOFTWARE

MISCO
1-800-661-6472
In Toronto Call: 1-905-477-4055

COREL
www.corel.com
Call now for faxed literature!
1-613-728-0826 ext. 3080
Document # 1118

COREL WTA 2000
COREL CENTRE

Business NOTES

SHAKEUP AT MOLSON

Norm Seagram, the chief executive hired last fall to help Molson Cos Ltd. return to its core brewing business, quit in a management shakeup He was replaced by Molson director James Arnett. The company also appointed four new board members and created an executive committee "to more readily accommodate the company's return to operating brewing status."

SATELLITE FIRM AT RISK

The company that launched Canada's first direct-to-home satellite broadcasting service is fighting to avoid bankruptcy. Debt-laden Tee-Comm Electronics of Mississauga, Ont., said it is negotiating with a prospective lender. In March, the company launched its AlphaStar satellite TV service in Canada It now has 6,000 subscribers.

ELECTRIFYING MOVE

Hydro-Quebec announced plans to spin off part of its internal telephone network and establish a new telecommunications company. Twenty per cent of Hydro's internal network will be transferred to the new company, which will employ about 200 workers

NOT OUT OF THE WOODS

Struggling Canadian Airlines reported a loss of $69.7 million for the three months ending on March 31. President Kevin Benson said he was unfazed by the red ink. "We are where we hoped to be," he told shareholders The carrier lost $110.9 million in the same period last year. It boosted its cash reserves in the first quarter to $76 million from $68.4 million

CHIP OFF THE OLD BLOCK

Intel Corp. released a faster and more expensive version of its best-selling Pentium computer chip, while admitting that it has a flaw. In some cases, the Pentium II chip makes rounding errors while performing mathematical calculations. Intel says the problem can be fixed with rewritten software.

A BUYER FOR KMART?

A U.S group offered to buy floundering Kmart Canada Ltd., but neither the company nor federal foreign investment regulators would name the bidders. Ottawa is unlikely to rule on the offer before the June 2 election.

George Eaton bows out



Eaton is the family preparing to sell the company?

For 127 years, through good times and bad, the Eatons held fast to their retailing empire And so, for many observers George Eaton's decision to step down as president of T Eaton Co Ltd was the strongest sign yet that the family is preparing to make way for new owners On Bay Street, there is widespread speculation that Federated Department Stores Inc. of Cincinnati, which owns Macy's and Bloomingdales, is close to making an offer "We must ensure that the company enjoys the appropriate business skills for our unique situation," Eaton said in a letter to employees

Although Eaton's has hired an executive-search firm to find a new president, George Eaton said his resignation does not mark the end of the family's involvement with the company Under the 51-year-old Eaton, an erstwhile race-car driver who took control of the family business in 1988, the company racked up millions of dollars in losses forcing it to seek bankruptcy protection in February

Seven of Eaton's 85 stores are due to close on June 30, and another 11 will be abandoned next February. Meanwhile, an Ontario judge rejected a request by two other retailers, Dylex Ltd and Suzy Shier Ltd., for approval to leave malls or renegotiate their rent if landlords fail to find a replacement for Eaton's

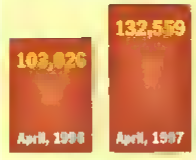
Cold War recycling

Canadian mining giant Cameco Corp wants to recycle Cold War castoffs into billions of dollars in uranium The Russian ministry of atomic energy announced it is close to completing a deal to sell $5.4-billion worth of uranium from about 20,000 old nuclear warheads to Saskatoon-based Cameco and two other companies, Cogema SA of France and German-owned Nukem Inc., based in Connecticut Russia agreed to sell the uranium enough to power the world's nuclear reactors for two years, under the so-called megatons to megawatts program it negotiated with the United States in 1993 Separately, Cameco said it has approval from the Saskatchewan government to develop the world's largest uranium project, a $360-million facility near Lake Athabasca

FINANCIAL OUTLOOK

Canada's unemployment rate rose in April to 9.6 per cent from 9.3 per cent in March. Signs of a stronger economy enticed 79,000 people to resume their search for work, more than offsetting the 33,000 jobs that were created. About 24,000 of the new positions came from self-employment

Housing starts dropped to an annual rate of 145,700 in April from 158,000 in March, largely due to the impact of the harmonized sales tax in New Brunswick, Nova Scotia and Newfoundland But brisk demand for existing homes and strong auto sales in April indicated that the economy remains on a fast track



"Even with the five-per-cent setback [in housing starts], permits for the first quarter rose a robust 12.4 per cent from fourth-quarter levels There are few indications to suggest that activity in the housing sector is slowing."
—Nesbitt Burns

"Looking ahead, the jobs outlook is encouraging A sharp increase in the help wanted index points to stronger employment growth"
—Scotiabank

"Our view continues to be that the economy is not strong enough for the Bank of Canada to raise interest rates"
—CIBC Wood Gundy

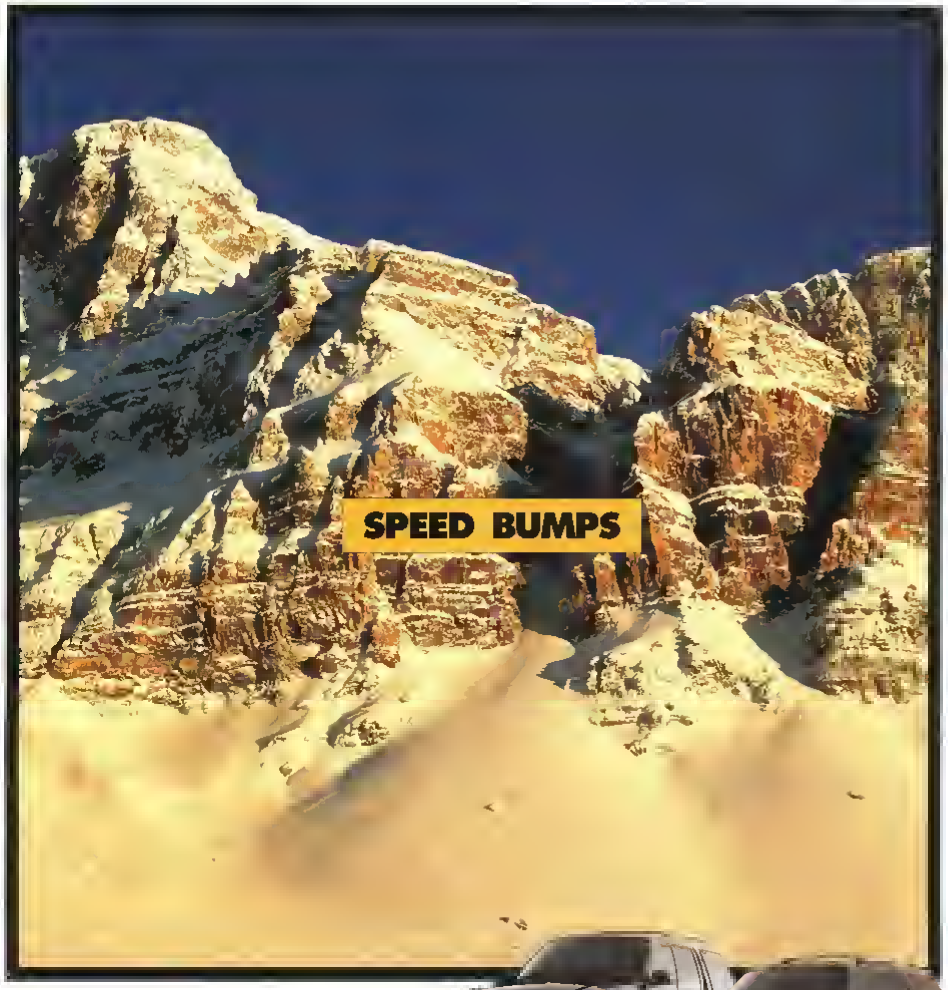
Over 9 million investors just like you share our worldwide resources and Strength.

Fidelity Investments®
The Strength Of The World's Largest Mutual Fund Company

Dedication is the foundation of growth And the way Fidelity earned the trust of 9 million investors just like you In fact, we have been committed to managing mutual funds for over 50 years Today Fidelity is the world's largest fund company with a global network of resources and over $575 billion* in assets With all the support in the world, you're free to enjoy everything today and tomorrow bring

1-888-62-FIRST www.fidelity.ca

*As of April 30, 1997 Read the important information contained in a mutual fund's prospectus before investing.



Why go around when you can go over? With our rugged family of sport utilities, the only thing that'll stop you is you. Take your pick: the 1997 Explorer, with the most room of any leading compact sport utility, or it's big brother, the Expedition, with room for up to nine passengers. Mountain retreat or urban jungle, go where you want to go. And, as part of Ford's family of best selling trucks, you're sure to go in comfort. But don't take our word for it: test drive one and see for yourself how quickly obstacles become challenges.

1997 Ford Explorer

1997 Ford Expedition

What's to stop you?

Ford

Ford Motor Company of Canada, Limited

1-800-561-FORD
www.ford.ca

The written word

For some, job contracts offer added security

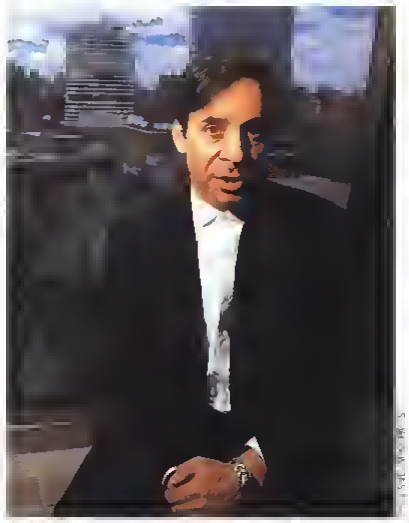
When Lou Gerstner took the top job at IBM in 1993, he negotiated a contract most people could only dream of. Betting that Gerstner would restore the computer giant to pre-eminence, IBM agreed to pay him a salary of $2.9 million, an annual incentive bonus of $2.1 million, a signing bonus of $6 million and an annual pension after age 60 of $1.6 million. The chief executive's downside protection was equally enviable. If IBM fired him without cause, it would give Gerstner three years' pay.

Marek Machtinger's employment contract was not so generous. When Machtinger lost his job as credit manager at Mississauga, Ont.-based HOJ Industries Ltd. in 1985, the contract he had signed allowed his boss to turf him out without notice or severance pay.

Machtinger took his case to the Supreme Court of Canada, which in 1992 awarded him seven months' pay in damages for wrongful dismissal. The contrast between Gerstner's and Machtinger's experiences reveals a harsh truth about employment contracts: while many senior executives have the bargaining power to strike favorable deals, those further down the ladder usually do not.

Given that reality, is an employment contract desirable for most people? "Unless you're a senior executive, no," says Toronto lawyer Howard Levitt, a leading employment specialist. He adds that no contract can deprive a person of his or her rights under provincial employment standards legislation. People below the rank of senior management, however, generally end up with fewer rights under an employment contract than they are entitled to under common law.

Rare before the current wave of corporate layoffs, employment contracts are becoming commonplace as executives seek to protect themselves from being fired at whim, says Doug Colling, a principal at the executive search division of KPMG in Toronto.



Levitt: saying no can be risky for prospective employees

Employers, in turn, are seeking to avoid costly settlements. And when it comes to negotiating, Canada's slack job market has tilted the balance in the employer's favor for all but the most senior executives.

Margaret Smith, managing vice-president of People Tech Consulting Inc. of Toronto, says it is time for employers to give something in return. "Before, you had a job for life," Smith says. "Now, they want to boot you out the minute you're no longer useful." Smith advises people to ask themselves what they need in a contract to feel that they are valued and "to be in a position for equal or greater employment at the end."

Most contracts have five basic components: term of employment, duties, compensation, benefits and severance, author John Tarrant says in his new book, *Perks and Parachutes*. Prospective employees should consider how long the contract will run, the potential pitfalls, the amount of any bonus they might receive and what happens if they choose to leave the company before the term runs out. Trouble spots, Tarrant says, include provisions that would prevent someone from working for a competing firm, secrecy clauses, broad termination clauses and bonuses at management's discretion.

Tarrant says that people who are not sure how to broach the subject of a contract with a prospective employer should ease into the discussion by saying something like: "That's no problem. I suggest the agreement should read this way..." If the employer says, "What agreement?" they can respond that they are assuming there will be a written contract.

How can someone determine if a contract prepared by the company is negotiable? "By trying," says Levitt. Regardless of the outcome, it is a good idea to have a lawyer look at any contract before signing. If a person starts work without having agreed to the contract, it will be unenforceable, Levitt points out. The same is true if he or she works beyond the end of the term.

Most often, disputes arise over termination, Levitt says. Tarrant suggests some things to consider about severance. For example, if the employee relocated to take the job, will the company pay to move that person back? Will it buy the employee's house if it can't be sold? Does the employee have the option to take a lump-sum payment rather than advance notice of termination? Will the company pay for counselling to help the employee find a new job?

Above all, what happens if a candidate for employment refuses to sign? According to Levitt, there is a danger that the company will have second thoughts about hiring that person. "A prospective employee is taking some risk in saying no." The bigger risk, however, may be agreeing to a bad deal.

DIANNE MALEY

A SEVERANCE SCOREBOARD

The career consulting firm Murray Axmith & Associates recently surveyed 1,014 Canadian companies and public-sector organizations about their severance practices. Some of the findings:

- Seventy-two per cent of employers have kept severance packages in the same dollar range since 1995.
- The most common formula is one month's pay per year of service, followed closely by three weeks' pay per year.
- Almost four out of five companies continue all or part of an employee's medical, dental and insurance benefits for some or all of the severance period.
- Two-thirds give employees some choice in how their severance money is paid out—a lump sum or a series of regular payments.
- Eighty-five per cent of employers have written contracts with at least some of their salaried staff. However, half of those contracts do not specify severance terms in the event of dismissal.



Peter C. Newman

A lonely stand on behalf of morality

Voters never get a chance to get politicians to back off and stop lying. Until now.

This week, Canada's potentially most explosive political trial—which will test a new law that prohibits B.C. office seekers from telling deliberate lies—moves another step towards actually happening. The legal proceedings could overthrow British Columbia's New Democratic Party government. A side-effect should be to halt, or at least seriously slow down, the dissemination of lies being thrown around by every party leader in the current federal campaign. If only such a law could have been in effect in Quebec when Jacques Parizeau was promising no immediate separation after a referendum victory!

The May 13 Vancouver pretrial conference will set the agenda for the action brought by Kelowna printer David Stockell against the Glen Clark government. In February, Chief Justice Bryan Williams of the B.C. Supreme Court ruled that Stockell would be allowed to sue the NDP administration for electoral fraud. Stockell and his small band of supporters accuse Clark and his finance minister, Andrew Petter, and others of lying about the state of the province's finances before and during the 1996 provincial election. Stockell contends that the NDP's repeated boasts that the province's accounts were either balanced or in a surplus position were deliberate misstatements. They have obtained working papers drawn up by the finance department's senior bureaucrats that clearly indicate the opposite.

If David Stockell's B.C. legal challenge succeeds, he will turn his attention to lying in federal election campaigns, too

Whether the courts will allow a full-scale class action to proceed is not yet clear. But even if the trial is limited to petitioners from a trio of B.C. swing ridings who claim that had they known the truth about the province's finances they would not have voted for the NDP, the case will proceed. Negation of voting in the three ridings would deprive the NDP of its razor thin majority, pending the resulting byelections. (The NDP has 39 seats, while B.C. opposition parties hold a total of 36.)

The case is based on Section 256 of the B.C. Election Act, which specifically forbids political parties to use "fraudulent means" to win elections. That section, ironically, inserted by the previous NDP government under Mike Harcourt, can be triggered by voter complaints. Because provincewide polls financed by Stockell claim that nearly a third of B.C. voters would not have voted for the socialist ticket had they been made aware of the true state of B.C. finances, he is confident his crusade will go ahead as a class action.

"A class action would mean that we could challenge the legality of the election of all 39 of the NDP's MLAs," he told me last week. "We would immediately issue summonses for examinations of discovery where Clark and Petter would have to testify under oath about what they knew, and when. In any case, we will also gather statements from the finance department's civil servants who wrote the incriminating memos, and passed them on to the premier's office. We'll be into a full trial by July. If we win, Clark will either have to resign or call an election."

Stockell is angry and concerned about the issue, but he is no revolutionary, and before championing his current cause never thought of himself as a political activist. Raised in Magrath, near Lethbridge, Alta., he believes that Pierre Trudeau was the first contemporary prime minister to bring disrespect into Canadian politics, with Brian Mulroney running a close second. "What kick started my campaign was a quote from Edmund Burke, the British philosopher, who wrote that the only thing necessary for the triumph of evil is for good men to do nothing," he says. "I'm not really politically motivated. Would I run if another B.C. election is called? No, I wouldn't. However, I'd canvass for those candidates I thought represented integrity and moral values."

He has been asked to join demonstrations and become a political candidate, but has turned down all invitations. "It's a non-political issue," he keeps stressing. "It's a legal issue of a voter fighting a government that broke a law they themselves wrote."

Stockell also has no plans to intervene in the federal campaign. Not because he believes every word "blowin' in the wind" these days, but because, incredibly, unlike the B.C. statute, the federal Elections Act contains no provision against lying. Stockell promises, eventually, to campaign to remedy that omission, but he promises not to push for retroactivity. (That would wipe out most of our political history.)

In an election that has yet to produce a reason for having been called, Stockell's lonely stand on behalf of old-fashioned morality is the most significant citizen protest in the country right now. If his case is upheld—and on the face of it, his accusations seem solid enough—he will have set a political standard that the other provinces and the federal government will have to follow. This could turn Canadian politics upside down.

One problem: if politicians are not allowed to lie, how will they fill their platform time during campaigns? "We all have to ask ourselves," says Stockell, "should we vote for a party whose leader in the last election convincingly and emphatically promised to get rid of the Goods and Services Tax, even wrote it into his Red Book—and then, on TV, denied having made the pledge, only to recant it later? Is that the kind of political party that we want to re-elect? Jean Chretien is a good old boy kind of politician, not devious like Trudeau, but I wonder why people would vote for him again."

Everybody complains about our politicians, but David Stockell is doing something about it.

GREECE:

VOTED MOST UPLIFTING PLACE *in the* World

By thousands of seagulls!



Greece has always been the favorite destination of those who seek to revive both body and soul. Because for centuries Greece's sun, waters, mountains and air have helped to refresh the body. While its culture, festivals and warmth of its people have purified the soul. On your next vacation, experience the uplifting sensation Greece offers. Revive yourselves in its sunlight. Talk to its people. Delight in its atmosphere. And discover the part of Greece that lives in you. Contact your travel agent and let your soul soar with the seagulls.



Hellas

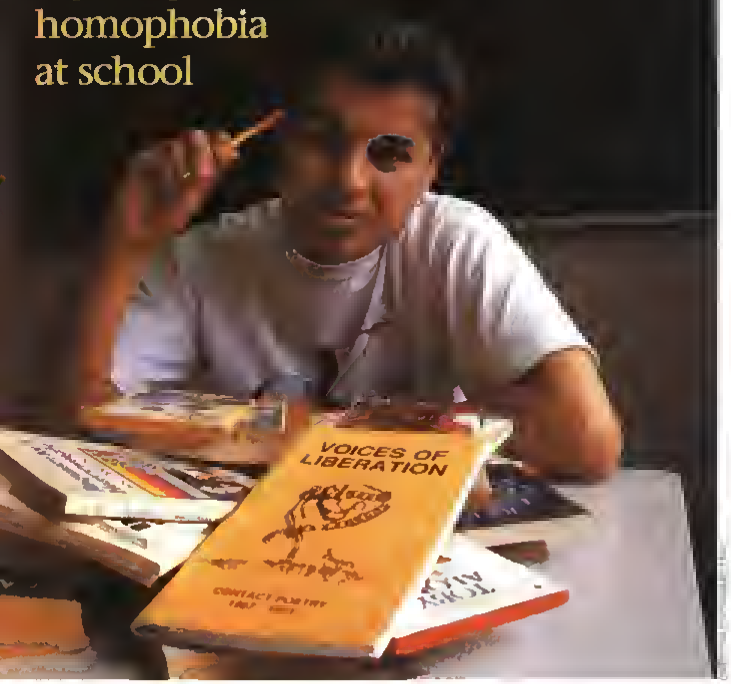
GREECE: The Authentic Choice

OLYMPIC AIRWAYS THE NATIONAL AIR CARRIER

GREEK NATIONAL TOURISM ORGANIZATION TORONTO 1300 BAY ST. MAIN LEVEL TORONTO ONTARIO CANADA M5R 3K8 TEL 416-9682220 FAX 416-9688533
MONTREAL 1233 RUE DE LA MONTAGNE SUITE 101 MONTREAL QUEBEC CANADA H3G 1Z2 TEL 514-8711335 FAX 514 8711480

Class action

Fighting homophobia at school



Hernandez: hospitalized for a week after being cut on the neck

BY VICTOR DWYER

When Christian Hernandez was 14 and a Grade 9 student at Notre Dame College High School in Niagara Falls, Ont., he screwed up his courage and told his best friend that he was gay. That was his first mistake. "He told me he couldn't accept it," recalls Hernandez. "And he began to spread it around." Over the next two years, Hernandez was teased and harassed almost daily. One day, a group of boys waited for him after school. Their leader had a knife, and, says Hernandez, "He told me he didn't accept faggots, that we brought AIDS into the world." The boy then cut Hernandez on the neck, putting him in the hospital for a week. When Hernandez told his parents the reason for the attack, his father, who has since moved back to his native El Salvador, said he would "rather have a dead son than a queer son."

His mother became spooked by the cars that started driving by the family home, their occupants hurling mud, eggs and obscenities. She suggested that her son move out. After two months of living on the streets of Toronto, Hernandez heard about the Triangle Program. Run by the Toronto board of education from a church basement in the city's east end, it provides up to 25 gay and lesbian teenagers with a safe place to learn and the life skills needed to return to the regular school system. "Being gay and being a teenager can be horrible," says Hernandez, who spent a year and a half in the program before moving to a mainstream high school last January. "When I thought I couldn't take it any more, when I was told I was a piece of garbage, Triangle helped me get back on track."

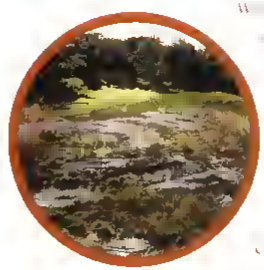
According to many gay adults, there may never have been a better time to be gay. Last year, Parliament outlawed discrimination based on sexual orientation. Many employers now offer same-sex spousal benefits. Celebrities such as singer k.d. lang and TV's Ellen DeGeneres are providing high profile, proud role models. But gay teenagers are likely to offer a starkly different appraisal. Stepping out of the closet, they find themselves stumbling into classrooms where being gay can be a dangerous proposition. "I call it child abuse—the harassment, ridicule, name-calling and violence that gay students face on a daily basis," says Matthew Martin, youth services co-ordinator of the Gay and Lesbian Community Centre in Vancouver. "Society may be making huge strides. But in schools today, gay kids continue to be the scum of the earth."

Over the past decade, the fight against sexism and racism has moved to the top of the public school agenda. But as recent clashes have made clear, tackling homophobia is another matter entirely. At one end of the spectrum is Toronto's Human Sexuality Program. It was developed in the wake of the 1985 fatal beating of Kenneth Zeller in Toronto's High Park by five male high school students, who had been heard to say hours before that they were going "to beat up a faggot." The program organizes counselling sessions for gay students as well as classroom presentations on gay-related issues in schools across the city. Its Triangle Program, meanwhile, offers gays who have been harassed at school an alternative place to study for up to 18 months, and a curriculum that emphasizes the contribution of gays and lesbians in various fields.

But in other parts of the country, more recent initiatives have been meeting with fierce resistance. In British Columbia, the debate has reached fever pitch. The catalyst, a decision in March by the B.C. Teachers' Federation to develop resources aimed at helping teachers address homophobia. Incensed by that move, the Surrey school board voted in late April to ban a set of materials that has been available in high school guidance offices since 1995, including a pamphlet called *I Think I Might Be Gay or Lesbian*, as well as three

WE'VE JUST IMPROVED YOUR GAME BY TWO STROKES OF GENIUS.

CLUBLINK



We just added two new clubs to ClubLink's selection of top courses — DiamondBack in Richmond Hill, and Kanata near Ottawa. Now there are eight in all representing a remarkable collection of some of Canada's most sought after private golf facilities. One membership entitles you to access 8 unique golf experiences, allowing the variety and flexibility you and your business associates desire. The result is an experience that exceeds your expectations and makes ClubLink great for golf and good for business. Call us today for details about a ClubLink Personal or Corporate Membership. Giving one for yourself or your company would be a stroke of pure genius.



Please call 1-800-661-1818

CLUBLINK CORPORATION

storybooks, aimed at primary students, that feature gay parents

Days after that vote, the annual meeting of the B.C. Confederation of Parent Advisory Councils narrowly passed two motions demanding that Education Minister Paul Ramsey outlaw any discussion of homosexuality in classrooms. "It's a question of parental authority," says Surrey school board chairman Robert Pickering. "If you are telling a captive audience of students what to think, you may be teaching them attitudes that are antithetical to what is taught at home." But Ramsey responded last week by putting the board on notice. "My goal is to ensure that our schools are inclusive, respectful and accepting of all our children," Ramsey told *Maclean's*, "and that includes all our students—gay and lesbian included. We have to ensure a welcoming environment where students are able to learn, free from discrimination and harassment."

Meanwhile, in February, the Calgary board of education approved an "Action Plan on Gay/Lesbian/Bisexual Youth and Staff Safety." It requires guidance counsellors to provide "comprehensive information to students" when discussing sexual orientation, and to "encourage students to discuss this issue with their parents." Now vowing to take on what it calls "the gay agenda," a 250-member group called Parents Rights in Education is considering preparing a legal challenge to the plan. "There are more fat people than gay people in our schools," says spokesman Tom Crites. "And there are all kinds of people who other kids don't like, and who they beat up. So why all this special treatment for gay kids?"

According to many teachers, it is their duty to challenge such views. And to back up their case, they point to a 1994 survey conducted by Vancouver's McCreary Centre Society, a nonprofit agency that examines health issues among young people. It found that a disproportionate number of street youths in the city identified themselves as either gay or bisexual. "We are facing a huge dropout problem," says Murray Warren, a teacher in Coquitlam, B.C., and a member of the Gay and Lesbian Educators of British Columbia. "The fallout is really quite immense."

Even more disturbing, say others, are the findings of a study released last December by researchers in the faculty of social work at the University of Calgary. Surveying 750 young men aged 18 to 27, Christopher Bagley and Pierre Tremblay found that gays were 14 times more likely than heterosexuals to have made a serious attempt at suicide sometime in their lives. "This is the fallout of living for years with no guidance and no support," says Tremblay. "It's a problem every teacher knows about, but too often the attitude is, 'We would like to help, but we don't want to promote homosexuality.' It is a total abdication."

Finding ways to break the silence is what the B.C. Teachers Federation hopes to accomplish. "As a longtime teacher, I certainly know I need advice on how to make gay and lesbian students feel comfortable," says federation president Alice McQuade. "Teachers will tell you that calling someone a fag is a normal thing they hear in the hallways, that these ideas rule our schools. We are saying, 'Enough is enough.' It is time to start turning things around."

It was as part of a larger effort to turn the tide that Toronto launched the Triangle Program in 1995. Among its current class of students is 18-year-old Christine Max. After years of living "completely in the closet" in suburban Brampton, Max rented an apartment in Toronto last fall and started her final year of classes at a nearby high school. But only days after the school year began, Max was "warned off," as she puts it, after some students saw her holding hands with her girlfriend down the street from the school. "One girl came up to me and said people were getting upset," recalls Max. "She said they were planning to teach me a lesson I wouldn't forget."

Stepping out of the closet remains tough



Max: a curriculum that addresses homosexual issues

Frightened, Max dropped out of school for about six weeks before enrolling in the Triangle Program. Preparing to graduate next month, she says that meeting other gay students has given her a better handle on her own negative experiences. And the curriculum, she says, has provided her with a new appreciation of what it means to be a lesbian. A history unit on the Second World War, for instance, might examine the Nazi incarceration of homosexuals in the death camps; an English course included a field trip to a production of *Angels in America* by gay playwright Tony Kushner. "I've learned that gays have been there throughout history and had a positive influence in many fields," says Max. "In mainstream schools, all you get is 'Gays are wrong, they're bad, they're awful and they're sick.'"

The fight against those ideas is almost certain to remain an uphill battle in Canadian schools. From its headquarters in Langley, B.C., the conservative Citizens Research Institute has begun to distribute 8,000 copies of what it calls a "Declaration of Family Rights" to parents across the country. To be signed and forwarded to school principals, the document demands that children not "be exposed to and/or involved in any activity or program which discusses or portrays the lifestyle of gays, lesbians, bisexual and/or transgendered individuals as one which is normal, acceptable or must be tolerated." And it forbids teachers from exposing children to "any adverse consequences, including questions, ridicule or hostility for views which arise out of our family's cultural traditions, religious and/or moral beliefs." Says Ramsey, "It's a scary little document."

As parents, teachers and trustees plot their next move in a tense battle, students like Max and Hernandez are quietly mapping out their own plans for the future. Both hope to attend Pride Prom '97 in June, the first gay and lesbian graduation dance to be officially sanctioned by a Canadian school board. Both are also hoping to continue their education at Toronto's George Brown College. And while Hernandez credits the Triangle Program for helping him get this far, he says he looks forward to a time when the need for such a program will have disappeared entirely. "Wouldn't it be great if we just had regular high schools where kids who aren't gay get along with kids who are?" he asks. "You know, that would be my dream."

With SANDRA FARRAN in Toronto

THE OUTSTANDING CEO OF THE YEAR



CALL FOR NOMINATIONS

Nominations are now open for Corporate Canada's most prestigious award for individual excellence, THE OUTSTANDING CEO OF THE YEAR.

Selected by an advisory board of eminent business leaders, THE OUTSTANDING CEO OF THE YEAR for 1997 will be announced on June 28 and profiled in a special issue of The Financial Post Magazine this fall.

HOW TO NOMINATE.

To submit a nomination please send your name, address and phone number along with the name, title and company of the nominee. Self-nomination is encouraged.

MAIL NOMINATIONS TO:

THE OUTSTANDING CEO OF THE YEAR
64 Prince Arthur Avenue, Toronto, Ontario M5R 1B4

DEADLINE: MAY 16, 1997

For more information, please call 1-800-292-2973.

LEADERSHIP • VISION • PERFORMANCE • INNOVATION
SOCIAL RESPONSIBILITY • GLOBAL COMPETITIVENESS

The Financial Post

THE CALDWELL PARTNERS

CTV



1996
Ronald D. Southern
ATCO Ltd.



1995
Matthew W. Barrett
Bank of Montreal



1994
Guy Saint-Pierre
SNC-Lavalin Group Inc.



1993
J. Edward (Ted) Newell
NOVA Corporation



1992
Isadore Sharp, Four Seasons
Regent Hotels and Resorts



1991
Laurent Beaudoin
Bombardier Inc.



1990
H. Harrison McCain
McCain Foods Limited

Mercy or murder?





Morrison, Mills (right): crisis in intensive care

A Halifax doctor is accused in a man's death

Late last September, Paul Mills's family was deeply distressed over his battle with throat cancer in a Moncton, N.B., hospital. In the hope that more advanced treatment might help, they transferred him to the Queen Elizabeth II Health Sciences Centre in Halifax. But the gamble did not pay off; six weeks later, on Nov. 10, the 65-year-old Mills died and was returned home for burial. Last week, the family was stunned to learn that a doctor in Halifax stood accused of killing the grievously ill patient.

The arrest on a first-degree murder charge of 41-year-old Dr. Nancy Morrison—named just last December as the Dalhousie University medical school's professor of the year—shocked both her colleagues and the public. In the aftermath, both the hospital and Halifax Regional Police fielded numerous calls from people demanding more information about the deaths there of relatives and friends. Hospital employees had to reassure worried families of patients now being kept alive with machines. "We are responding to as many questions as we can to alleviate their concerns," said spokesman Peter Spurway. And across the nation, the case refuelled the debate over patients' rights and the morality of medically assisted suicide.

Last week, that debate focused on Morrison, a specialist in respirology and a highly regarded member of the QE II complex's medical staff. Her actions at the time of Mills's death had already come under internal scrutiny. Last November, a hospital review board suspended her for three months with pay from her duties in the intensive care unit where Mills died. However, a group of unidentified staff members, dissatisfied with the way that review was handled, took their concerns to police.

On May 6, after a six-week investigation, detectives arrested Morrison while 65 officers searched her home and offices at the Halifax Infirmary and Victoria General Hospital buildings of the QE II complex. "I couldn't believe it was her," said one hospital employee, watching police carry boxes of files from the building. "Whatever it's about, they got the wrong person." The following day, Morrison—appearing pale and shaky and accompanied by husband Greg Baker—was arraigned in provincial court. Chief Justice Constance Glube of the Nova Scotia Supreme Court later released her on $10,000 bail. Glube banned the publication of evidence.

Outside the courtroom, reporters asked Crown attorney Craig Botterill if the case involved issues such as assisted suicide. "Euthanasia and mercy killing are not terms known in Canadian law," he replied. "This is a first-degree murder charge and I'm arguing that she killed him." Morrison's defence lawyer, Joel Pink, called his client "100 per cent innocent." Branding the huge police raid on the hospital and offices "overkill," Pink said: "There are a lot of people who are going to be shocked when they hear all the facts, that the Crown would put her through what she's going to have to go through."

In Moncton, Mills's widow, Dorice Lastowski, said that although her ailing husband could communicate only by blinking in response to questions, he had never said he wanted to die. The family had agreed to have life-support devices gradually reduced, said his son, Ron, and they understood that the point "was more or less to let nature take its course." Outside the Halifax courtroom, a relative of Morrison, who asked that her name not be used, said that moments before Mills died, "he was gasping for air" and she speculated that he would likely have died within the hour.

In most provinces, the law empowers doctors to withdraw life-support at the request of a terminally ill patient, but not to hasten death. "Our courts and legislatures," said Ingrid Krueger, executive director of the Winnipeg-based Alliance for Life, "need to assure our vulnerable elderly, sick or disabled members of society that they will not be killed, but cared for."

The arrest in Halifax raised alarm across the country. From Winnipeg, Helen Goyette asked police to investigate the death of her mother, Audrey Uloth, at QE II last month. She said Uloth became incoherent after radiation treatments for breast cancer and the surgical insertion of an intravenous line, and died six days later. "It's how she died that freaks us out because of what's happened," Goyette said. Pink said Morrison was not working in the intensive care unit when Uloth died there.

Although Morrison may well be the first doctor in Canada to be charged with murdering a patient, she is not the first to be criminally implicated in a wrongful death. Dr. Maurice Genereux of Toronto faces five charges arising from the 1996 death of an AIDS patient and the attempted suicide of another the year before. In 1993, Dr. Alberto de la Rocha of Timmins, Ont., received a three-year suspended sentence for aiding in the death of an elderly cancer patient. One of the country's most sensational hospital-related cases arose from the drug-induced deaths of eight infants in Toronto's Hospital for Sick Children in 1981. Nurse Susan Nelles, charged with murder in four of the deaths, was cleared of any involvement.

But whatever awaits Nancy Morrison, it is a long way off. Those who knew her were openly bewildered by last week's events. "She has always been very careful and caring," said family physician Dr. Kingsley Gul, who referred patients to the defendant. Added a friend who requested anonymity: "I just wish we could get her side out." That opportunity will come, in the courtroom, in the emotionally charged weeks ahead.

RAE CORELLI *with* *SUSANNE HILLER in Halifax*

U.S.Robotics

TAKE A note

so you never hove to make a mental ane.

There s a flood out there. A rush of memos, contacts, e-mail. And whenever you re away from your PC, it rages. The new PalmPilot™ connected organizer is how you keep important information with you. It lets you manege e-meil, track expenses, take notes, all while on the go. And HotSync™ technology lets you synchronize that data with your PC at the touch of a button— no dual entry. PalmPilot extends your PC anywhere, and frees your mind for staying ahead.

Optional links are available to Schedule+, Lotus Organizer, Symantec ACT!, Ascend 97, and others (sold separately).

Call 1-800-881-7256 or visit our web site at http://www.usr.com/palm for the PalmPilot retailer nearest you.

Palm Pilot

PalmPilot Personal $429*

Backlit display for low-light viewing

Instantly syncs data with your PC

Easy expense tracking

Stores thousands of entries

User upgradeable to Professional Edition

PalmPilot Professional $549*

All PalmPilot Personal features plus:

Pocket e mail

Internet ready (TCP/IP support)

Twice the memory

one great coffee bean



The corporate bean counters got really excited when we showed them this.

(Wait till they find out we ordered 50 billion more just like it.)

Just the other day it was brought to our attention that we serve somewhere in the neighbourhood of 20 000 000 cups of coffee *every* year. Wow.

Coincidentally, it was also brought to our attention that if it weren't for *our* coffee we could probably serve a zillion cups a year. Ouch. As Canada's premier airline, we all had to agree that this was a somewhat disturbing fact. So after weeks and weeks and weeks of exhaustive study (who's kidding who here—we bumped our noggins together for five minutes) we felt confident that we could again hold high our heads, and our coffee cups.

What if we introduced an Air Canada Special Blend of coffee? Maybe a *unique* blend of Costa Rican and Colombian coffee beans, roasted to the point of perfection and made available in both regular and Swiss Water Decaffeinated varieties? Hey, *what if* nothing.

Air Canada is now pleased to offer you a *delicious* Second Cup of coffee as your first cup. That's right. The best coffee on earth is now available at 35 000 feet. And only on Air Canada. Every single day, in every class. On every flight, every *where* we fly. And with Second Cup on board, we now proudly hail as *the best* smelling airline in Canada.

SECOND CUP COFFEE CO.

AIR CANADA



Relatives tend to a 14-year-old malaria victim in India: resistant to the main drug

Health

Malaria's comeback

Mutations frustrate an eradication program

Sharleen McMartin has no memory of being bitten by insects during the three weeks she and her husband, Robert, spent overseas last year. But somewhere in South Africa or in neighboring Zimbabwe, a mosquito must have pounced—and injected a deadly parasite into her bloodstream. By the time the Canadian couple reached their next vacation destination—the tiny Caribbean island of St. Eustatius—she was suffering from diarrhea and a raging fever. Flown to Toronto for treatment of malaria, McMartin almost died—at one point her kidneys began to fail and her weight plummeted by 25 lb. When she finally went home to King, Ont., just north of Toronto, where her husband is a veterinarian, she recalls, "I could barely walk." And McMartin says that even now she still does not feel fully recovered. But she survived her bout with malaria, a disease that strikes as many as 500 million people globally every year, and kills about two million. And like McMartin, a growing number of unwary Canadian travellers are bringing malaria home with them. "We are seeing a lot of cases," says Dr. William Bowie, an infectious diseases specialist in Vancouver. "I feel a high level of alarm."

Despite massive efforts in recent decades to wipe the disease out, malaria is making a comeback, spearheaded by mutant forms of the mosquito-borne microbe that are becoming increasingly resistant to drugs. Canadian experts say that too many travellers are going into malaria-plagued regions of Latin America, Africa and Asia without accurate information or proper anti-malarial medication. In 1995, the most recent year for which statistics are available, federal officials reported 637 cases of malaria in Canada—a 48-per-cent increase over 1994. People heading for malaria-riddled regions "should get expert advice from travel clinics or hospital tropical disease centres," says Dr. Jay Keystone of the Toronto Hospital's tropical disease unit. "Malaria is a dangerous disease—and it's becoming harder to treat because of drug resistance."

Malaria is a serious problem in parts of Asia and South America—India, Sri Lanka, Brazil and Colombia are all hot spots with a rising death toll. But 90 per cent of the world's cases are in sub-Saharan Africa. The reason: when the Geneva-based World Health Organization (WHO) launched a campaign to eradicate the disease during the mid-1950s most of Africa was left out because many of the countries lacked basic medical services. Since then, malaria has been brought under control in some developing nations. But in many African countries, with governments that cannot—or choose not to—spend money on mosquito-control programs or on protective netting, the people are locked in a losing battle against the disease.

In Africa, as in other parts of the Third World, malaria's most frequent victims are children. Last fall, Greg Locke, a St. John's, Nfld.-based photographer, contracted a mild case while taking pictures in Somali refugee camps along the border with Kenya. "I was lucky," says Locke, "considering that two or three children were dying of malaria every night in the camps." Richer nations are trying to help. Canada contributed $1.6 million to a recently completed study in three African countries that showed that pesticide-impregnated mosquito netting can help save children's lives. And WHO officials are exploring the feasibility of an internationally backed 30-year program to eradicate the disease in Africa.

For now, efforts to combat malaria are being frustrated by wily mutations of the single-celled falciparum protozoa—the most deadly of the malaria microbes. The bug is becoming increasingly resistant to chloroquine—the cheapest and most widely used anti-malarial drug—in most parts of the world. One of the principal replacements is mefloquine, but that drug's reputation has been clouded by reports of possible side-effects, including headaches, bad dreams and, in a small number of cases, severe psychological reactions. Kyle Brown, the Canadian ex-soldier imprisoned for his role in the 1993 killing of a Somali teenager, suggests in a newly published book that a mixture of beer and mefloquine may have influenced his actions. Still, mefloquine—which costs considerably more than chloroquine—has become the drug of choice for protection against drug-resistant malaria, Keystone says, "as long as travellers are warned of possible side-effects."

Experts offer other advice to anyone venturing into malarial regions: keep their bodies covered, dab insecticide on unprotected skin and (for those not staying in air-conditioned quarters) use protective nets at night to fend off mosquitoes. Doctors also warn that travellers who are prescribed anti-malarial drugs for use before, during and after their trips should be sure that they do not stop taking their pills too soon. That is because unknowingly infected people with low doses of an anti-malarial drug in their systems are an ideal breeding ground in which mutations can multiply—and eventually add more victims to malaria's grim toll.

MARK NICHOLS *with* CHRIS ERASMUS *in Cape Town*

A celluloid circus

Glitz mingles with art as the festival turns 50



ON ASSIGNMENT
BRIAN D. JOHNSON
IN CANNES

Bruce Willis had just declared the death of print journalism. Never mind that his new sci-fi extravaganza, *The Fifth Element*, had received a severe critical thrashing on the day of its première at the opening of the 50th annual Cannes International Film Festival (May 7 to 18). Willis, striking a Euro-terrorist pose in dark glasses and a black cap, sat before a throng of journalists and told them that "no one here reads reviews," and that only cameras count. And that evening as he mounted the red-carpeted steps of the festival's Palais, a vast phalanx of photographers, all dressed in mandatory black tie, suggested that he had a point.

Flanked by an honor guard of sword-bearing French soldiers, and thousands of screaming fans, Willis slowly mounted the red staircase with his wife, Demi Moore, at his side. Beside them, his Ukrainian-born co-star, ex-model Milla Jovovich, took the arm of *Fifth Element*'s French director Luc Besson. Jovovich certainly knew how to work a room. She had appeared at a midday news conference deliriously overdressed in a silver-lamé evening gown. Now, for the evening premiere, she was outrageously under-dressed, in an outfit that was little more than an exaggerated necklace, a bikini web of gold rigging and a chain-mail loin cloth. It was a regal parody of a Cannes cliché—the nude starlet on the beach. And as Jovovich drove the photographers into a frenzy, Moore, encased in a black gown and billowing cape, was completely upstaged. Acting as unamused as *Snow White*'s wicked queen, she made no attempt to hide it. And as the Hollywood star cast dark glances at this otherworldly Other Woman, Willis, looking smug, gave his wife consolation kisses for the cameras.

Ushering in the golden anniversary of the world's biggest film festival, it was a telling moment. Cannes is the royal court where Hollywood and the rest of the world's cinema compete for attention. And Hollywood does not always win. "Luc Besson lays siege to Hollywood," trumpeted a French headline the next day, treating Besson as a conquering hero for having made a faux-American blockbuster, in English—with the equivalent of $100 million (U.S.) in French money. If this is the new New Wave, European cinema may never be the same.



Willis (left), Moore, Besson, Jovovich: a faux-American blockbuster

The Cannes festival began as a quiet, dignified affair on the Riviera. Now, it is a circus, a trade show and, with 4,000 media people accredited, the ultimate photo opportunity. In the first few days of the event, such diverse stars as Michael Jackson, Johnny Depp, Robert De Niro, Sylvester Stallone and Claudia Schifer made appearances. But glitz notwithstanding, Cannes is also an exalted celebration of an art form, one that no one fetishizes quite like the French. The Oscars may be Hollywood's Super Bowl, but Cannes is the Olympics of world cinema. "It's the one place where Hollywood doesn't have the upper hand," says Robert Lantos, chairman and CEO of Toronto-based Alliance Communications Corp. "It's still the queen of festivals, and the only one where winning a prize or being discovered is guaranteed to mean something. It remains the mecca."

Last year, Lantos capitalized on Cannes to jump-start the controversy around David Cronenberg's *Crash*. This year, he is putting Alliance's promotion muscle behind another Canadian contender in the festival's official competition—Atom Egoyan's *The Sweet Hereafter*, which is competing with 20 films for the grand prize Palme d'or. This is a strong year for Canada, which has three other movies programmed in non-competitive categories. *Kissed*, Vancouver director Lynne Stopkewich's necrophile romance; *Cosmos*, an anthology drama filmed by six Quebec directors; and *Love and Death on Long Island*, a British co-production from Halifax.

Meanwhile, Toronto novelist Michael Ondaatje, fresh from the triumph of *The English Patient* at the Academy Awards, adds a Canadian voice to the festival's 10-member jury. Asked if he has suddenly been seduced by cinema, Ondaatje told reporters at Cannes, "I was seduced by cinema at the age of 8, and I haven't recovered." Then, insisting he is not about to abandon the profession that has thrust him into the limelight, he added, "I want to be a writer and will continue to be a writer."

Headed by French star Isabelle Adjani, the jury should provide Ondaatje with some interesting dinner companions. Other members include actresses Mira Sorvino and

New!
Sara Lee
Classic
CAKES
4 reasons to indulge yourself
• German Chocolate
• Vanilla
• Fudge Golden
• Double Chocolate
Freshly baked and frozen for your convenience. Now in your grocer's freezer case.



Li (left), Adjani, Sorvino, Leigh, Ondaatje: the most pampered citizens of Cannes are the jury members

Cannes is the royal court where Hollywood competes with the world

Gong Li, and directors Tim Burton (*Batman*) and Mike Leigh (*Secrets and Lies*). In fact, there is perhaps no more pampered citizen of Cannes than the jury member, as Egoyan discovered last year. "I had this incredible suite, and all I had to do was watch two films a day," he recalled. "And I had this card that allowed me free access to the best restaurants, and any screening I wanted. The only downside is that I was alone, and at a certain point you realize that the lifestyle becomes very lonely." (His wife, Arsinee Khanjian, was back home performing in a play.) This year, Egoyan intends to breeze in and out of Cannes in two days. "When you're a film-maker there," he says, "you're just one of many, and if you hang around longer than that, it takes the glow off it."

Besides, adds Egoyan, the bash planned for the festival's anniversary would feel anticlimactic after his experience at a pre-50th celebration last year. "There was something mythic about it," he says. "The jury was led from the Palais to a boat, and we arrived at the beach to fireworks and a fanfare of Wagner's *Ride of the Valkyrie*. Francis Coppola was president of the jury, and I remember seeing him standing, thus shadow, at the stern. It was actually like being in *Apocalypse Now*, going up the river."

At this year's celebration, Cannes will be overrun with film-making legends as the festival plays host to previous winners. Luminaries on the guest list include Martin Scorsese, Jean-Luc Godard, Robert Altman, Michelangelo Antonioni, David Lynch, Constantin Costa-Gavras and Jane Campion. But with a few exceptions (notably Japan's Shohei Imamura and Germany's Wim Wenders), many of the directors competing for the golden anniversary edition of the Palme d'or are less celebrated. Among them are four novices, including two actors-turned-directors. Depp, who directs *The Brave*, casts himself as a native American volunteering to sacrifice his life for his impoverished family; and Gary Oldman, who offers an excoriating descent into junkie hell, alcoholism and domestic savagery with his autobiographical drama, *Nil by Mouth*.



Jackson: thrilling a crowd from his balcony

Although it appears unlikely that any film will ignite the kind of scandal that *Crash* caused last year, political controversy is never far from Cannes. Last week, the festival dropped director Zhang Yimou's new comedy, *Keep Cool*, from the competition after Chinese authorities, in what appeared to be censorship, declared "a copy is not available." And at the last minute, after Iranian authorities lifted a ban against Abbas Kiarostami's *The Taste of Cherry*, it was added to the competition.

Political reality, meanwhile, makes a harrowing appearance in two dramatic features about the war in Bosnia, both filmed in the bombed-out ruins of Sarajevo. The two movies are stories of men trying to evacuate children from the city. *Perfect Circle*, which opened the non-competitive Directors' Fortnight program, comes from Bosnian director Ademir Kenovic, who began filming in 1992, during the war. Staging scenes against panoramic views of devastation—with fire trucks, UN armored cars and charred trams wheeling in and out of the action—he creates an unprecedented mix of dramatic fable and war-zone document.

If *Perfect Circle* comes from the heart of the Bosnian conflict, *Welcome to Sarajevo* is about the eyes and ears of the war. In the tradition of *The Year of Living Dangerously* and *The Killing Fields*, it is told through the eyes of a Western correspondent. Filmed just after the war by Briton Michael Winterbottom (*Jude*), it is loosely based on the true story of English TV journalist Michael Nicholson's attempt to rescue a young girl from Sarajevo. With Woody Harrelson and Marisa Tomei in supporting roles, it is much slicker than the Bosnian film. But driven by Stephen Dillane's convincing performance in the lead role, its simple, unsentimental story conveys the horror of war without cheap heroics. And Winterbottom, who intercuts drama with video news footage, delivers a stunning indictment of how the Western media can reduce human suffering to a photo opportunity.

Cannes, of course, is a photo opportunity of a different order. Last week, as a rapt audience watched the Bosnian hell of *Perfect Circle* in a basement theatre, next door a huge crowd jammed the fabled Croisette in front of the Carlton Hotel. All eyes—and cameras—were trained upwards, at a sixth floor balcony where Michael Jackson had just made a flirtatious appearance, punctuated by his toy-fascist salute. Chanting 'Michael, Michael,' the faithful waited for the Gloved One to return. An old French busker in a beret, a banjo under his arm, strolled through the horde. "He's not real," he laughed. "He's just a copy." In camera-conscious Cannes, where the real world is always just a shot away, it hardly matters. □



With it's totally redesigned aerodynamic styling, and luxurious touches like remote keyless entry, triple-sealed doors, an air filtration system that helps remove allergy-causing pollen and available dual-zone climate controls, it would be easy to mistake the all-new 1997 Buick Century for a luxury car. But one look at its remarkably sensible sticker price, and you quickly realize that the new Buick Century is a car that's been thoughtfully designed to reward the most practical minds.

And to that point, wouldn't it make perfect sense to test drive one at a Buick dealer near you? For dealer locations and information, visit our web site at www.gmcanada.com or call 1-800-GM-DRIVE today.

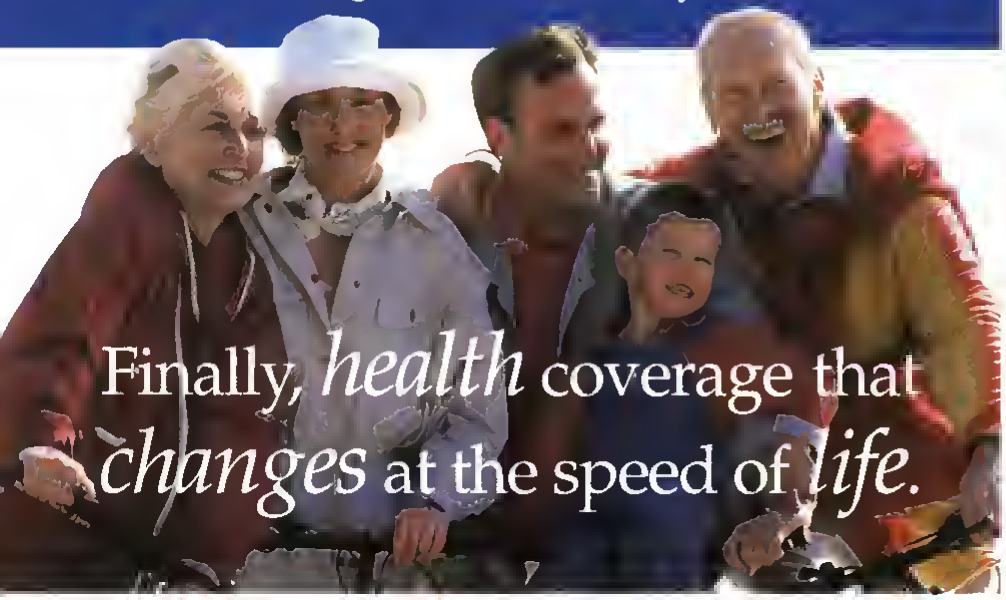
The All-New 1997
Century
$25,375*
(plus $785 freight)

BUICK

Pass-Key® II Theft Deterrent System | Dual Air Bags | Room For Six Passengers | Air Filtration System | Triple-Sealed Doors | Remote Keyless Entry

*MSRP for the 1997 Century Custom with dual-zone climate control in Ontario, excluding freight and taxes. Air filtration system. Dealer may sell for less. Some restrictions may apply. www.gmcanada.com is a trademark of General Motors Corporation.

Benefits that go beyond your provincial health plan.
Presenting Flexcare from Liberty Health.



Liberty Health, one of Canada's most experienced and innovative health insurance companies, presents Flexcare. Flexible health coverage that adapts to the changes in your life.

Create your own Flexcare plan, and change your coverage over time. Pay for exactly the coverage you need. No more, no less.

And where provincial health insurance plans stop, Flexcare starts, protecting you and your family against the high cost of expenses like vision care, dental work, prescription drugs, hearing aids, chiropractic care, and more. You pay just dollars a day for protection against expenses that could easily cost you thousands of dollars a year.

Liberty Health draws on decades of experience, to help over 1.5 million Canadians live healthier, safer, more secure lives. We can do the same for you. Call 1-800-COVER ME for more information on the only health coverage that changes at the speed of life.

1-800-COVER ME
1-800-268-3763
www.cover-me.com

flexCARE LIBERTY HEALTH
Changing at the speed of life

Love's new realm

A biographer chronicles her shift to lesbianism

NO PREVIOUS EXPERIENCE
By Elspeth Cameron
(Viking, 240 pages, $28.99)

You don't need to be present at the literary salons of the nation to imagine the chatter: "What on earth possessed Elspeth Cameron to write this book?" And, more importantly: "Can I borrow your copy when you're finished?" The book in question is *No Previous Experience*, subtitled *A Memoir of Love and Change*, in which Cameron, a middle-aged English professor at the University of Toronto and acclaimed biographer of such literary lions as Irving Layton and Earle Birney, offers an intimate chronicle, not only of what she describes as an abusive marriage to a fellow professor, but also of her redemptive love affair and ongoing relationship with a female colleague. From allegations of forced marital sex in the confines of her tony Toronto home, to depictions of transcendent lesbian passion in a cozy inn in Cambridge, England, *No Previous Experience* is both riveting and discomfiting, and its author, depending on your perspective, is either foolhardy or very brave.

Reading 54-year-old Cameron's intensely personal revelations is as nerve-wracking as watching a high wire act. One minute, she's up and walking (graceful, eloquent prose), the next, she's dangling by a toe (breathlessly writing "we were two women holding each other in the dark night of the soul until day broke again"), as she chronicles her turbulent domestic life and the revolutionary change in direction it took four years ago.

On the surface, Cameron seemed successful—an attractive, award-winning biographer who, after two failed marriages, had managed to last 15 years with her third husband, Paul Lovejoy, a professor of African studies at Toronto's York University and the father of her fourth child. Yet this marriage was a disaster too. Cameron, who self deprecatingly describes her younger self as a "thinking man's Barbie doll," writes that she could not stand up to a husband given to "erratic fits of temper" who demanded she wear tight miniskirts and service his sexual needs daily. Cameron asserts that there was so much violence in her marriage that the police were called five times—until an assault charge was laid against her husband after he gave her a black eye and a concussion. (In the end she refused to testify, and the charge, it seems, was dismissed.)


DAVE BOSTON FOR MACLEAN'S

Cameron: her tale is both riveting and discomfiting

When a vulnerable and exhausted Cameron met Calgary academic Janice Dickin at a biographers' conference in Edinburgh, she was intrigued. "It was like meeting Gloria Steinem, Wilder Penfield, Bertha Wilson, Elmer Gantry and Carol Burnett rolled into one," enthuses Cameron. (Is that all?) Like Cameron, Dickin was long-married, but her husband, David McInnes, also an academic, was not abusive, just a bit detached. (According to Cameron, when Dickin finally left him, all he could manage to say was, "I'll miss your soups." Male academics do not come off well in this book.)

The two women at first bonded intellectually and emotionally—"I have never connected with a woman like me," Cameron writes rather poignantly. Then, gradually, they became aware of the fact that they are sexually attracted to each other. "We make a handsome couple," Dickin told her as they stared at their reflections in a restaurant mirror. Sparing no melodrama, Cameron writes that when she finally confronted her own desire, she fell to her knees. "I felt as if I had been struck hard by an invisible hand from above. A soft blow, as if with a feather pillow. Feathers that threatened to suffocate me. All I could think of was: I want to sleep with her." And so they did. "The mere sight of each other half-clad in underwear was enough to excite us to make love over and over again—we were like animals in heat."

You could dismiss it as a double bodice-ripper and yet, as a narrative of desire, it occasionally has a powerful, even thrilling, pull. Cameron's is a familiar tale of the unconscious rising to redirect a life, recalling Pascal's famous observation: "The heart has its reasons, which reason cannot know."

As for her heart's decision to love another woman, Cameron uses as her own epigraph a line from the movie *French Twist*: "We all have a homosexual who is asleep. This could happen to everyone . . . it takes the right place, with the right moment, with the right person." After her marital calamities, Cameron appears to be both deliriously happy with Dickin, and lesbian by default: "I knew I could not allow men with their rough bodies, their crude imaginations, their dangerous needs, their alien souls, close to me again."

This is not a typical coming-out-of-the-closet story, which is good, because the closet is pretty empty these days (Ellen DeGeneres was last seen leaving the light on, on her way out). But it is a story that probably would not have been published had Cameron run off with a man. In an age in which people trumpet their sexual preference on their T-shirts, she tries too hard to universalize a highly personal experience. "Were barriers between women breaking down everywhere? Was our love one among many?"

The high wire act shakily continues until Cameron achieves an almost playful tone to end the book, although there are enough unanswered questions to call for a sequel. Will Dickin and Cameron stay together? Will Cameron's ex-husband's life be blown apart by these allegations? Will Dickin's ex learn to make those soups?

And why *did* Cameron write the book anyway? Was it a biographer's desire to unmask herself, an abused ex-wife's revenge, an ardent lover's need to exult in a new relationship? The chatterers may have to return to Pascal for an explanation: the author has her reasons, which reason cannot know.

JUDITH TIMSON



Tyson (left), Marye, Nicholsen, Tennant, Findley, Sealy: turning prose into song, dance and drama

ERIC WAYNE FOR MACLEAN'S

Sentences that sing

Timothy Findley takes his writing on the road

It is a windy Thursday night in Niagara Falls, Ont., and author Timothy Findley is sitting before a thousand people packed into a high-school auditorium, flogging his books. He is reading from his popular 1995 novel, *The Piano Man's Daughter*—specifically, the scene in which the book's heroine, Lily Kilworth, is born in a field. An actor before he was a writer, Findley, 66, reads beautifully. As the mother's birth pangs intensify, his baritone voice vibrates with excitement. But what makes this scenario unusual—in fact, highly unusual in the world of book promotion—is the presence on a nearby chair of Veronica Tennant, former prima ballerina of the National Ballet. She is sitting with her legs and arms bunched up, her body stirring and trembling to Findley's words. To all appearances—it is never made entirely clear—she is portraying the fetus about to be born.

That scene illustrates both the charm and pitfalls of Findley's promotional show. Named after the novel, *The Piano Man's Daughter* is now at the midpoint of a cross-Canada tour that will move to British Columbia, Alberta and Manitoba in the last half of May. Rather than featuring a single author reading from a lectern, it utilizes such outstanding Canadian performers as singer Sylvia Tyson, jazz pianist Joe Sealy, dancer Michael Sean Marye, and actor-songwriter Jack Nicholsen. Along with Findley and Tennant, they sing and act in dramatized selections from Findley's work, including his new short-story collection, *Dust to Dust*.

Directed by Paul Thompson, *The Piano Man's Daughter* is frequently a polished, pleasant piece of stagecraft. Tyson can still break hearts with her plaintive country twang, while Tennant and Marye convey a marvelous eroticism when they dance together. But the non-actors in the cast often seem amateurish when required to play a role. And there are several scenes, including Lily's birth, that would be better served by Findley's words alone—without the distraction of the others.

The silver-haired Findley is an affable presence. In his bifocals and black, untucked shirt, he rambles comfortably about the stage, a sort of literary Perry Como. He even plays the piano at one point, picking out a few dreamy bars of *Smoke Gets In Your Eyes*. Overall, *The Piano Man's Daughter* seems geared to portraying Findley as—to quote his promotional material—"one of Canada's best-loved writers." After the Niagara Falls performance, Findley's books sold briskly. Like a good Tupperware party, the show's combination of cozy sentiment and commercialism clearly hits the mark.

JOHN BEMROSE

MORTAL THOUGHTS

DUST TO DUST

By Timothy Findley
(HarperCollins, 225 pages, $28)

In "Dust," the opening story in Timothy Findley's new collection, *Dust to Dust*, Oliver Sher has escaped to Greece to mourn the death of his longtime companion and lover. While staying at an island hotel, he becomes intimately involved in the drowning death of a French boy. Mysteriously, the tragedy galvanizes him, and he is finally able to move out of his depression. "He would buy a dog," the story concludes, "and life would go on, from death to death."

Sher's insight reflects the concern with mortality that animates *Dust to Dust*. Death may be a terrible thing, these stories imply, but its presence, paradoxically, is also the source of much creativity. It is the humbling prospect of death that prevents many human beings from being monsters of egotism and sloth, and calls forth their capacity for tenderness, inventiveness and justice.

In some stories—including "Americana" and "Kellerman's Windows"—Findley plays on these themes a little too neatly and sentimentally. But other pieces are delivered with a lovely ambiguity and lightness of touch. "Infidelity" is narrated by a writer who slips away from his wife in order to smoke illicitly (the two have sworn off cigarettes together, but he has discovered he cannot create without them). His betrayal colors his entire view of the French village where they live. he comes to think that everyone he sees is having an affair. With the tension between its serious tone and comic subject matter, this story is a matchless send-up of a certain self-important style in French films and novels. But on a deeper level, it touches on the perverse human desire for the toxins — including death itself—that give life its savor.

J.B.



Crystal Springs. 150 purity tests. Certification exceeding all standards in Canada, the United States and the World Health Organization. Babies get water through breast milk, formula and juice. You can get it at the store, or call 310-3434 for home delivery. Because you put your family on a pedestal.

Allan Fotheringham



A cast to stagger the boggled mind



ROY PETERSON

There hasn't been so much confusion since Mackenzie King tried to explain his policy on conscription. There haven't been so many players since the Charge of the Light Brigade. There hasn't been so much bumbling since Laurel and Hardy. Here's the menu for a Canadian election:

PRESTON MANNING: Has endured the makeover of the century. Now resembles the Michael Jackson of politics. Haircut inherited from a 1940s teenager. Nerdy glasses junked, replaced by contacts. Wears leather jacket purchased by handlers who have now wiped out entire inventory at Gap. Photographed on back of a motorcycle. This going to play in Red Deer?

Unfortunately, policies remain the same. Can't do a leather jacket disguise there. Still stuck in Western Canada mode. Every time opens mouth, sounds as if his underwear is too tight. Speaks Diefenbaker French. Hostility to Quebec too apparent. Party ad with actors playing visible minorities and sitting in a wheelchair didn't help. Party knives will be out after June 2.

GILLES DUCEPPE: Born nervous, went ballistic after Parizeau book excerpt. Son of one of Quebec's greatest actors. Spent five years as Marxist-Leninist working as hospital orderly to organize a union. Brittle. Media types know how to press his temper button. Hair net definitely not a fashion breakthrough. Can't win image battle, since needs Lucien Bouchard to shore up Bloc Quebecois base. But looks like a gofer if Bouchard appears.

ALEXA McDONOUGH: Looks like a Before and After in *Chatelaine* makeover contest. Horrified NDP handlers got her out of 1950s to 1990s in swift move to design consultant. Daughter of millionaire socialist. Lives too far on fringes in Halifax from NDP core vote in British Columbia, Ontario. Handicapped by being second successive female NDP leader. Voters can't tell difference.

JEAN CHRETIEN: May have been saved by Parizeau book. Wasn't doing much on own. Arrogance showing through. Disastrous one-sandbag photo op in Winnipeg. Will lose Manitoba seats. Populist "little guy from Shawinigan" image lost and gone. A PM should not wear sunglasses. Especially when strangling protesters.

Will be punished somewhat at the polls for calling an unnecessary, early election. Cynicism rampant. Has been going downhill ever since debacle of CBC town-hall performance showed his careless, mean side. Should get out after winning minority government.

JACQUES PARIZEAU: Can't stand being out of spotlight. The male Maggie Thatcher. Stabs Bouchard and Duceppe with kiss-and-tell book. Takes 24 hours to construct not-credible denial. May have saved Chretien on his own. Ego the size of Mount Rushmore. Has never been able to get over fact Bouchard, an old adversary, elbowed him aside to lead last referendum drama. Only man not running who may decide election—and save Canada. Thanks, Jacques.

JEAN CHAREST: Time to junk the perm. Wife cuts hair. Looks like it. Has been given boost by Parizeau sabotage. But doesn't know what to do with it. Speaks beautifully in either language. Only problem, doesn't know what to say. Aided by fact anger over Mulroney now past, Tories due to rise again. Perhaps 20 to 30 seats. Some in rural Ontario, some in Atlantic provinces. Falls flat on face in Calgary when attempts to dodge "distinct society" questions. Only question will Mulroney, a la Parizeau, intrude on the campaign and make Charest look even smaller? Conservatives still looking for their real leader. Has to be outside Quebec. No one in sight.

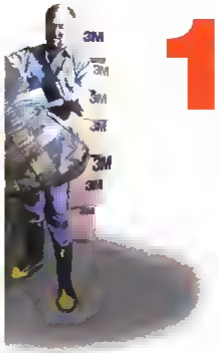
LUCIEN BOUCHARD: Has two big problems. First is to remove from the small of his back the shiv inserted by Parizeau. Second is young California wife. Hates politics. Two small boys with American passports, wants them raised as Americans. He lives in Quebec City, she lives in Montreal. All this and Parizeau too. Escaped death once. Who needs to be nibbled to death by ducks?

So overshadows jittery Duceppe that true separatists feel they have only one leader: Saint Lucien. No fun, fighting with own labor unions—as Bob Rae found out. May have been doomed by Parizeau. If Bloc vote goes down, referendum also doomed. On to Malibu.

PAUL MARTIN: Most silent man in election. With good reason. Will just pick up the pieces, with all other reputations ruined. Riding high with knowledge he is now regarded everywhere as the strongman of very weak cabinet. Liberals top polls only because no credible opposition. Two regional rumps with Tories and NDP not surging.

Finance minister patiently waiting. Since knows most powerful politician in Canada (Aline Chrétien) will quietly but firmly take her man out of the action after this election. Martin knows TROC wants a non-francophone to lead battle if there is another referendum.

Doesn't have to move back to Windsor to do it. With his Montreal base, he would be an anglophone inside Quebec fighting for TROC. Best bet for Liberals. And for the country. His long wait will be rewarded. And please his father in Heaven.



1 An elephant-sized patient presents unique problems.

When Ganesha, an elephant at the Calgary Zoo was operated on for an infected foot, a special boot was designed to protect it for the time it would take to heal. But, how do you keep a boot in place on a five-ton elephant?

2 Fortunately, 3M specializes in unique solutions.

3M to the rescue. According to the folks at the Calgary Zoo, 3M™ Duct Tape was the only solution to their sticky problem. It isn't surprising, because 3M is recognized as the world-leader in tape and adhesive technology. We make hundreds of varieties of tape for virtually every use you can think of, from packaging to painting to... pachyderms.

3M Duct Tape is just one product of our unique corporate spirit - focus on our customers (large or small), individual initiative and dedicated teamwork. It's a spirit that takes us *from need to...*



3M Innovation

for more information call 1-800-3M HELPS or internet http://www.mmm.com

IF THE HIGH COST OF UNRESTRICTED AIR TRAVEL LEAVES A BAD TASTE IN YOUR MOUTH...

WELCOME TO

LIBERTY FARE™

Welcome to LIBERTY. Canada's best value in unrestricted air travel. Whether it's business, or pleasure, travel with all the advantages of full fare for at least 50% less. Our lines are open 24 hours a day, 7 days a week or call your travel agent.



LIBERTY offers you:

- *At least 50% savings over our competitors Regular Unrestricted Economy Fare.*
- *Priority Boarding.*
- *Fully refundable and changeable at any time.*
- *Greyhound Air Travel Guarantee.*
- *No required Saturday night stays.*
- *No advance booking.*
- *One way or round trip available.*
- *Greyhound Air Travel Rewards.*

Plus *book and fly before June 8, 1997 and get a*

F R E E T R I P*

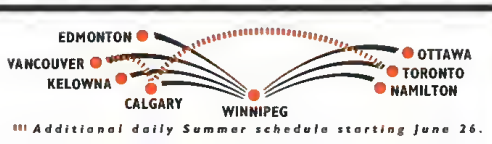
with each round trip or two one way flights you take.

Unimaginably low fares every day.

GREYHOUND AIR™

Air Service provided by KELOWNA FLIGHTCRAFT

*Transferable to an immediate family member. Valid for travel between Sept. 1 and Dec. 15, 1997 14 day advance booking required



Additional daily Summer schedule starting June 26.

1-800-661-TRIP(8747)

or call your travel agent. http://www.greyhound.ca